



USAID
FROM THE AMERICAN PEOPLE

AFGHANISTAN

**EVALUATION
OF USAID'S CAPACITY
BUILDING EFFORTS
FOR USAID/AFGHANISTAN
Final Evaluation Report**

June 12 – August 4, 2011

This report was produced for review by the United States Agency for International Development (USAID/AFGHANISTAN). It was prepared under contract with Checchi and Company Consulting, Inc. through USAID/AFGHANISTAN's Afghanistan "Services under Program and Project Offices for Results Tracking" (SUPPORT) project. The report was prepared by Art Warman, Team Leader, Raja Sheriff, David Garner, Zareef Nizami, Noor Ahmad Popal, under contract with Checchi and Company

This evaluation was

**Contracted under USAID Contract Number: GS-10F-0425M
(Order Number: 306-M-00-07-00502-00)
(Task Order Number 2007-012)**

**Afghanistan Services under Program and Project Offices for
Results Tracking (SUPPORT)**

**Checchi and Company Consulting, Inc.
Afghanistan SUPPORT Project
Wazir Akbar Khan
Kabul, Afghanistan**

**Corporate Office:
Checchi and Company Consulting, Inc.
1899 L Street, NW, Suite 800
Washington, DC 20036
USA**

Disclaimer:

The views expressed in this report are those of the authors and do not necessarily reflect the views of the Government of Afghanistan, USAID, or any other organization or person associated with this project.

ABBREVIATIONS AND ACRONYMS

ACE	Agricultural Credit Enhancement
ACSI	Afghan Civil Service Institute
ACSS	Afghan Civil Service Support
ADF	Agricultural Development Fund
APAP	Afghanistan Parliamentary Assistance Program
ASOP	Afghanistan Social Outreach Program
AUWSC	Afghan Urban Water and Sanitation Corporation
BASICS	Basic Support for Institutionalizing Child Survival
BESST	Building Education Support Systems for Teachers
CAWSA	Commercialization of Afghanistan Water and Sanitation Activity
COTR	Contracting Officer's Technical Representative
CSC	Civil Service Commission
CSMD	Civil Service Management Division
CTAP	Civilian Technical Assistance Program
DABS	Da Afghanistan Breshna Shirkat
EGGI	Economic Growth and Governance Initiative
ELECT	Enhancing Legal and Electoral Capacity for Tomorrow
GD	General Directorate
GIRoA	Government of Islamic Republic of Afghanistan
HEP	Higher Education Project
IARCSC	Independent Administrative Reform and Civil Service Commission
KESIP	Kabul Electricity Service Improvement Program
KESIP	Kabul Electricity Service Improvement Program
LCEP	Learning for Community Empowerment Program
MAIL	Ministry of Agriculture, Irrigation and Livestock
MISPA	Ministry of Women's Affairs Initiative to Strengthen Policy and Advocacy
MoE	Ministry of Education
MoLSMD	Ministry of Labors, Social, Martyr and Disables
MoPH	Ministry of Public Health
MoWA	Ministry of Women's Affairs
MRRD	Ministry of Rural Rehabilitation and Development
NGO	Non-Governmental Organization
NLD	National Literacy Department
O&M	Operation and Maintenance
OAG	USAID's Office of Agriculture
ODG	Office of Democracy and Governance

OIEE	Office of Infrastructure, Engineering and Energy
OPPD	Office of Programming and Planning Development
OSSD	Office of Social Sector Development
PAR	Public Administration Reform
PBGF	Performance- Based Governance Fund
PFM	Public Financial Management
PMP	Performance Management Plan
RAMP UP	Regional Afghan Municipalities Program for Urban Populations
STEP	Support to the Electoral Process
USAID	United States Agency for International Development
USG	United States Government

I. Contents	
II. Executive Summary	1
1. Background	1
2. Methodology	1
3. Findings, Conclusions, Recommendations and Best Practices	2
III. Introduction	5
1. Background	5
IV. Methodology	6
1. Background	6
2. Documentation Methodology and Questions	8
3. In-Depth Analysis	9
4. Cross Capacity Comparison	10
V. Summary of Case Studies	11
1. Background	11
VI. Cross Capacity Comparison	28
1. Background	28
Appendix A: Statement of Work	38
Appendix B: Methodology & Survey Questions	46
Appendix C: Case Studies	49
Appendix D: Contact List	118
Appendix E: LCEP-2 PMP's Gender Disaggregation Indicators	127
APPENDIX F: LCEP-2 PMP's Gender Disaggregation Indicators	129

II. Executive Summary

1. Background

USAID/Afghanistan commissioned the Afghanistan SUPPORT Project to undertake a “cross Office” evaluation of interventions in capacity development. SUPPORT fielded an assessment team of three expatriates and two counterpart nationals for seven weeks who focused on those capacity development projects that strengthen GIROA systems and institutions at the national and sub-national level.

The Statement of Work (Appendix 1) called for a broad view approach in carrying out the assignment. A total of 21 projects were identified for inclusion in the evaluation, of which projects in six institutions were singled out by USAID/Afghanistan offices for a more in-depth analysis. These institutions were:

Ministry of Public Health (MOPH)

Ministry of Agriculture, Irrigation and Livestock (MAIL)

Afghan Urban Water and Sanitation Corporation (AUWSC)

Da Afghanistan Breshna Sherkat (DABs)

National Literacy Department (NLD)

Independent Administrative Reform and Civil Service Commission (IARCSC)

The assignment was coordinated through the Office of Programming and Project Development (OPPD), with participation in the in-depth discussions and analyses drawn from the Offices of Democracy and Governance (ODG), Office of Social Sector Development (OSSD), Office of Agriculture (OAG), and the Office of Infrastructure, Engineering and Energy (OIEE). Additional USAID offices participated in the broader Cross Capacity Comparison of all 21 programs.

2. Methodology

The steps in the Cross Capacity Comparison of all 21 projects included documentation review and meetings with Contracting Office Technical Representatives (COTRs), and Implementing Partners (IPs). This comparison covered program goals for capacity development, internal definitions for capacity development, approaches, indicators, gender, and expected outcomes. For those projects selected for in-depth review, the team also interviewed GIROA counterparts and recipients of the technical assistance.

A total of 18 COTRs from across the Mission were involved in the review process. The team interviewed approximately 40 Mission personnel and over 100 other vested parties (see

Appendix IV) and had access to more than 3,000 documents. “Work Plan Methodology” and “Survey Questions” were agreed to with OPPD, and are presented in Appendix II.

The context in which both the in-depth analyses and Cross Capacity Comparison were undertaken, including an emerging emphasis on “on-budget” programming, represents an important variable. Given time constraints and the inability to undertake fieldwork beyond phone or Kabul-based interviews, the scope required a broad review rather than a comprehensive analysis of each program,

Six case studies were developed from the in-depth analyses. Interviews and documentation research broadly covered all elements of capacity development contained in the Statement of Work. All six case studies were compared and contrasted for lessons learned and best practices, and to determine the degree to which comparison among the case studies had utility. All 21 projects were placed within the Cross Capacity Comparison. These too were subject to review for similarities and differences, lessons learned, etc. Both the in-depth analyses and the comparisons across all projects were reviewed for notable findings, leading in turn to the conclusions and recommendations presented in the report.

3. Findings, Conclusions, Recommendations and Best Practices

The case studies and Cross Capacity Comparison produced numerous findings, lessons learned, conclusions, recommendations and best practices at the global (applicable to overall capacity development) and project-specific levels. Some were identified at one level, but rose to become more significant as the projects were compared. Relevant findings, conclusions, and recommendations are summarized in the body of this report and presented more fully in Appendix III (Case Studies) and Appendix V (Cross Capacity Comparison). Key recommendations of a global nature are:

1. Definition. No uniform definition of capacity development was found within the 21 projects reviewed. It is recommended that the Mission consider the need for a uniform definition, at a minimum within the Office unit, and preferably at the sector level (e.g. roads, health, education, etc.). A uniform definition at a higher level may be too general to be of much utility, but this remains an open question.
2. Older GIRoA Models. Often state-of-the art capacity development ideas, tools and activities are selected for upgrading a unit of GIRoA that has been operating under older and more traditional management structures. This disconnect appears repeatedly. A two-fold recommendation is presented. First, the enabling counterpart environment for capacity change must be understood in project design and implementation. Second, a broader “set” of interventions might be considered (e.g. bundling activities such as training, technical assistance, among others).

3. Flow of Capacity Development. Capacity development should not be a “catch all” category or a place holder for Mission funding. Rather, it is recommended that the definition and objectives of capacity development for a given project be established at the pre-design stage and flow down to procurement, contractor selection, and project implementation.
4. Sustainability. Often, when the assistance ceases, the capacity development stops or begins to degrade. It is recommended that the sustainability aspects of investments in capacity development be thought through at the start of a design process, not towards the end of project implementation.
5. Multiple COTRs. As the term of a Foreign Service assignment rarely coincides with the life of a particular project, most projects experience a significant turnover in COTRs. This often results in less cohesion as succeeding COTRs may have different expectations with respect to capacity development and provide conflicting directions during an agreed upon work plan period. Where possible, it is recommended that qualified Foreign Service Nationals (FSNs) be vested with relevant responsibilities for USAID project management of such projects.
6. Timelines. Apart from the Ministry of Health projects in the assessment, most projects have timelines for capacity development of one to three years. On occasion, this time line may be too short for meaningful capacity development, since five to seven years are often needed to affect change management. It is recommended that the timelines for change management and subsequent ownership of the activity be included in any design assessment related to capacity development.
7. On-Budget Programming. Based on the team’s interactions with some 18 COTRs, it is clear that the understanding of on-budget programming is at best rudimentary and certainly not at the implementation level. For example, what is needed in a Public Financial Management (PFM) unit is at best superficial. It is recommended that training modules be developed as part of the Mission’s move to on-budget programming.
8. Socialization. Socialization is the degree to which the anticipated roles in capacity development are understood, agreed to and supported by GIRoA counterparts. The more the role of a technical advisor is socialized with an Afghan counterpart, the more likely that person will succeed in the assignment. Less socialization leads to less than full success.
9. GIRoA Involvement. This is a best practice. The more the counterpart within the GIRoA is involved in the design of the capacity development program, the better capacity development works. Less involvement equals less ownership/commitment. It is recommended that USAID/Afghanistan continue to seek greater involvement of GIRoA counterparts in identifying capacity needs in project planning and implementation.

Findings, conclusions, recommendations and best practices common to all six case studies are presented below. Those specific to a particular case study are found in that case study (see Appendix III).

10. Counting the Numbers. As PMPs and work plans are typically input/output based, the Mission is often missing the opportunity to properly count the number of individuals benefiting from capacity development. Metrics should be considered for capturing results beyond the traditional input/output reporting. It is recommended that the Mission also require the use of “*qualitative*” indicators in project reporting.
11. Sustainability. At the case study level, evidence exists that capacity remains within the sector upon completion of assistance. For example, in health, those trained continue to work in the health sector, although it may not be in the same job or even within the government sector
12. Effective Leadership. In instances where dynamic leadership is present in a GIRoA counterpart, there is a greater likelihood that capacity development programs will be effective and sustainable. Conversely, when that person leaves or such leadership is absent, it directly impacts the value of the capacity development assistance being provided.

The Cross Capacity assessment exercise generated several outtakes:

Methodology. The methodology of picking several variables and comparing them across a set of 21 projects was not effective because the available metrics in place for reporting do not lend themselves to such a cross program comparison. Current Implementing Partner metrics are input/output based and provide little qualitative information.

Methodology Implementation. A database of more than 3,000 documents doesn't lend itself to a cogent comparative analysis. This is particularly true for this assignment, as some documents never were found and others came in only during the analysis phase. A smaller sub-set of activities, and accompanying documents, would make for a better outcome.

Partnership. The stronger the partnership between the IP and counterpart agency, the more concrete and useful is the capacity development. Similarly, IPs that are co-located with their counterparts appear to generate more momentum and commitment. It is recommended, when appropriate, that co-location be pursued early in project implementation.

III. Introduction¹

The purpose of this evaluation is to inform the transition process by conducting a program evaluation of USAID capacity building efforts in Government of the Islamic Republic of Afghanistan (GIROA) institutions. This evaluation will assess capacity building projects, evaluate the effectiveness of those efforts, and identify best practices in capacity building activities. Focus will be given to capacity building projects that build and strengthen GIROA systems and institutions at the national and sub-national (province, district and municipality) level. This evaluation will assist USAID in determining the degree of success in current capacity building and identifying lessons learned for development of future capacity building projects. For the purposes of this evaluation the following is the definition of capacity building:

“...the process through which individuals, organizations and societies obtain, strengthen and maintain the capabilities to set and achieve their own development objective over time...”

1. Background

The USG has a vital national interest in helping the Afghans build an effective and legitimate state and government. One key component of the USG’s strategy is improving governance to provide better services for the people of Afghanistan. Building the capacity of the Afghan government strengthens its ability to deliver services to its people, as well as increasing the long-term ability of the Afghans to manage their own resources for sustainable growth. As such, capacity building is one of the key foundational investments that the USG is currently making in Afghanistan, and will continue to merit attention in the future. USAID/Afghanistan’s capacity building activities are key to these efforts.

The majority of USAID/Afghanistan’s programs that partner with the Government of the Islamic Republic of Afghanistan (GIROA) include capacity building components to improve service delivery and strengthen institutions’ ability to perform their mandates. The Offices of USAID/Afghanistan are implementing capacity building activities with a variety of institutions that focus on improving the capacity of institutions, processes and people.

While capacity building activities take place in the public and private sector and at multiple levels, the evaluation focuses on the capacity building projects that build and strengthen institutions and processes in GIROA institutions at the national and sub-national (province, district and municipality) level. Given the Mission’s significant investments in capacity

¹ I and II quoted directly from the Statement of Work. Please See Appendix I for the full Statement of Work.

building activities, it is imperative to understand the effectiveness of these investments and identify best practices within the USAID/Afghanistan programs.

IV. Methodology

1. Background

The broad objective of the evaluation was to determine the extent to which interventions have strengthened the organizational, technical and management capacity of GIROA systems and institutions at the national and sub-national levels. A total of 21 projects were selected for review, analysis and comparison. Table 1 details all the programs covered in the Statement of Work. It was mutually agreed that the evaluation would be broad, with limited depth given the number of projects and time allocated.

Table 1: Capacity Development Projects

1. Technical Support to the Central and Provincial Ministry of Public Health(Tech-Serve)
2. Basic Support for Institutionalizing Child Survival (BASICS) - III
3. Commercialization of Afghanistan Water and Sanitation Activity (CAWSA)
4. Afghan Civil Service Support (ACSS)
5. Learning for Community Empowerment Program (LCEP) II
6. Agriculture Development Fund (ADF)
7. Agriculture Credit Enhancement (ACE)
8. Afghanistan Energy Capacity Building (AECB)
9. Kabul Electricity Service Improvement Program (KESIP)
10. Kandahar Commercialization
11. Civilian Technical Assistance Program (CTAP)
12. The Building Education Support Systems for Teachers (BESST)
13. Higher Education Project (HEP)
14. Enhancing Legal and Electoral Capacity for Tomorrow (ELECT)²
15. Regional Afghan Municipalities Program for Urban Populations (RAMP UP) East
16. Performance-Based Governors' Fund (PBGF)
17. Support to the Electoral Process (STEP)
18. Afghanistan Social Outreach Program (ASOP)
19. Rule of Law Program (Formal)
20. The Economic Growth and Governance Initiative (EGGI)
21. Road Operation and Maintenance (O&M) and Capacity Building Program (TO#14)

² While ELECT was never formally removed from the evaluation, no documents were forthcoming during the evaluation period.

The list of projects included in the Statement of Work continued to change throughout the assignment. In part, this was due to a lack of documentation on certain projects or at the request of the Mission. In addition to the ongoing support from OPPD, a total of 18 COTRs from Mission Offices were involved in the process. The Statement of Work called for the evaluation to be conducted by a team of up to six persons, comprised of three US consultants and Afghan specialists. Data was collected in Afghanistan using primary and secondary sources over a period of seven weeks.

Given the limited time frame for the evaluation, no travel outside Kabul was envisaged for the evaluation team. The evaluation used a mixed methods approach (quantitative and qualitative data) to assess the different aspects of specific capacity building programs. As described more fully below, the evaluation approach was a combination of documentation review, in-depth interviews, survey questions, and analysis of existing data. Given the lack of a uniform definition and approach to capacity development, standardized tools were not used in the evaluation.

Of the 21 projects identified, a sub-set of projects and counterpart institutions were selected for a more “in depth” analysis and review. All 21 projects were included in a Cross Capacity Comparison, colloquially known as “*Rack and Stack*” by the relevant USAID/Afghanistan Offices.

Visual 1



1. Methodology Implementation

Work plan development and implementation were an evolving process, and the agreed methodology was implemented fully. The methodology followed a vertical workflow, reflected

in Visual 1. This allowed the evaluation team to cover a significant number of projects and make adjustments as additional information became available. Each step in the process is described below. While presented sequentially, the Cross Capacity Comparison overlapped throughout the evaluation process, and continued through to final report preparation.

2. Documentation Methodology and Questions

The Statement of Work called for documentation to be collected and collated prior to fielding the expatriate team. This was not done due to the breadth of the documents in question and, in part, to capacity projects being added and/or deleted throughout the evaluation process. Over 3,000 documents were given to the evaluation team. Once agreement was reached on the projects that would be included in the evaluation, the team was able to pare down the list of documents actually needed to a more reasonable level. A total of 21 projects were selected for study from the 28 originally identified. As the list is exhaustive, a documentation list is not appended to this report.

Of the documents provided to the evaluation team, the most useful were the Approved and Signed Contract Awards with Scopes of Work, Annual Work Plan, Performance Management Plan, annual and quarterly reports, and interim assessments or evaluations. For some projects, gaps in documentation were found, but did not materially impact on the evaluation process. Projects where documentation could not be provided were dropped from the assessment. All relevant documentation for the Statement of Work were reviewed and utilized in developing the Cross Capacity Comparison and the in-depth analysis.

An early deliverable was the methodology for carrying out the evaluation and the questions that would be used to get at the findings that might exist within the Mission's broad portfolio of capacity development activities. The Mission-approved Methodology and Survey Questions are found in Appendix II. The agreed upon methodology consisted of four broad areas of analysis, review, and reporting. These were: introduction (how the team would work); in-depth analysis of projects to build capacity in six institutions; cross capacity comparison; and lessons learned and assessment recommendations

A total of nine focal areas were considered important:

- Management Systems
- Project Costs
- Project Assessment and Design
- Skill Levels
- Improvement of Service Delivery
- Gender Issues
- Perceived Impact
- Staff Retention
- PMPs

Time constraints and security issues prevented the team from conducting field work, which was mitigated in part through phone interviews and interviewing field-based staff while in Kabul. Of the nine focal areas, some were more difficult to work with than others, particularly for the few completed projects included within the Statement of Work. The nine focal areas did provide an adequate basis for the in-depth analyses and development of the six case studies.

3. In-Depth Analysis

The evaluation team was asked to look at six counterparts for USAID/Afghanistan’s capacity development efforts with a greater degree of analysis than the Cross Capacity Comparison. The institutions and programs included in these analyses are listed in Table 2 below. The two additional steps added to the in-depth analyses were (a) internal counterpart interviews, and (b) to the degree possible, interviews with recipients to whom technical assistance was provided. One additional item was informally added by the evaluation team to the nine focal areas outlined above. This was the issue of “*sustainability*” as it relates to capacity development efforts. The purpose of this was to understand the variables affecting sustainability, the degree to which they were being considered within a project, and any lessons learned.

Table 2: In-Depth Analyses (Case Studies)

Ministry of Public Health, MOPH (Projects: Tech-Serve, Basics III)
Ministry of Agriculture, Irrigation and Livestock, MAIL (Projects: ACE and ADF)
Afghan Urban Water and Sanitation Corporation, AUWSC (Project: CAWSA)
Da Afghanistan Breshna Sherkat, DABs (Projects: AECB, KESIP, Kandahar Commission)
National Literacy Department, NLD (Project: LCEP II)
Independent Administrative Reform and Civil Service commission, IARCSC (Project: ACSS)

The six counterpart institutions represent a cross section of work undertaken by USAID/Afghanistan. Programs included new starts, ongoing projects, and recently completed projects. They also range significantly in dollar value and the degree to which capacity development is a program element. It should be noted that originally the Parliament was selected for inclusion, along with the Afghanistan Parliamentary Assistance Program (APAP). This was changed mid-way through the evaluation to substitute the Independent Administrative Civil Service Commission (IARCSC).

The in-depth analyses resulted in six-separate case studies that are included in Appendix III. Summaries of the case studies and their findings can be found in the following section of this report. The value of the in-depth analyses was the degree to which commonalities in approaches, differences, and issues could be identified. Combined with the Cross Capacity Comparison, these provide the analytic basis for the findings, conclusions and recommendations of the report.

4. Cross Capacity Comparison

All 21 projects were subject to a Cross Capacity Comparison, colloquially known within the Mission as “*Rack and Stack*”. The purpose of the comparison was to ascertain similarities, differences and approaches to capacity development within individual project(s) as it/they might compare across several projects. The variables applied to the full set of 21 projects are given in Table 3.

Table 3: Cross Capacity Comparison Variables

<u>Variable</u>	<u>Source</u>
Goal for Capacity Development:	As stated in Contract
Definition for Capacity Development:	Contract, PMP
Approaches to Capacity Development:	Project defined/undertaken
Select Indicators for Capacity Development:	PMP, Work Plan, etc.
Gender: Work Plan, etc.	PMP,
Expected Outcomes: Project, actual, evaluations, etc.	As stated in the PMP,

Each project has its own tabulation (see Appendix V). It was further agreed that all information must come from relevant documentation to ensure a consistent cross comparison. Interview opinions were helpful to the in-depth analysis, but were not included in the tabulations. Also, gender was a more broadly reviewed variable at the request of USAID/Afghanistan, but followed the requirement that it had to be based on documentation.

The evaluation team undertook a comparison of the data tabulations to ascertain similarities, differences, and any lessons learned. The Cross Capacity Comparison was further used to compare and contrast the Case Studies undertaken as part of the in-depth analysis. Combined, the 21 Cross Capacity Comparisons assisted the evaluation team in determining findings, conclusions and recommendations for the evaluation report.

V. Summary of Case Studies

1. Background

The Statement of Work called for an “in-depth” look at six GIRoA counterparts. These institutions were selected jointly by OPPD in consultation with the various Technical Offices that participated in the design of the Statement of Work. The six that were finally selected were:

- Ministry of Agriculture, Irrigation and Livestock (MAIL)
- Ministry of Public Health (MPOH)
- Ministry of Education’s National Literacy Department (NLD)
- Da Afghanistan Breshna Sherkat (DABs), (the national power utility)
- Afghan Urban Water Supply and Sanitation Company, (national water utility) and
- Independent Administrative Reform and Civil Service Commission (IARCSC)³

Mission-funded projects for these institutions that included capacity development were chosen for inclusion for the in-depth analysis. The Technical Offices selected these and documentation supporting these projects was collated by OPPD and shared with the evaluation team. It is important to note that not all USAID/Afghanistan projects working with the selected institutions were included. Also, while most documentation was provided at the beginning of the evaluation, relevant documentation continued to be identified throughout the course of the evaluation.

The projects represent a general sampling of USAID/Afghanistan assistance in capacity development. Some projects had recently been completed or were close to completion. Others reflected the Mission’s emerging emphasis on *on-budget* programming. Finally, some were new starts or projects with a year or less in implementation experience. With the submission of the Methodology and Survey Questions, it was agreed that the six in-depth analyses would take the form of “*Case Studies*,” one each for the six institutions.

2. Methodology

³ Parliament was originally on the list, but due to an upcoming evaluation of the Afghanistan Parliamentary Assistance Program (APAP), “Parliament” was dropped from the list mid-way through the evaluation and replaced by the “Independent Administrative Reform and Civil Service Commission (IARCSC), along with the USAID/Afghanistan-funded Afghan Civil Service Support Project (ACSS).

The methodology described above details the full scope of the evaluation, including the Cross Capacity Comparison and the in-depth analysis. As noted, the methodology for the in-depth analysis included the additional steps of interviews with the implementing partner (contractor, NGO, etc.), and select interviews with GIRoA counterpart officials, which gave the team a significantly broader perspective on the issues beyond what was possible from documentation research. Table 4 lists the uniform questions/variables subject to the in-depth analysis.

Table 4: Questions for In-Depth Analysis

- 1. Capacity Building Skills:** What specific capacity building skills has the Project(s) introduced?
- 2. Management Systems:** What management systems has the Project(s) introduced? What management systems seem most effective? Why? Which have been least effective? Why?
- 3. Project Costs:** How much has USAID invested in capacity building? What do respondents say about the effectiveness of this investment(s)? How cost-effective were these approaches?
- 4. Project Assessment and Design:** Have project(s) assessment(s) and/or designs addressed other factors that affect staff performance to remove barriers to performance?
- 5. Gender Considerations:** Were gender issues a barrier to building capacity?
- 6. Assessing Skill Levels:** How was the core institution's staff skill levels evaluated to determine gaps and what types of training or capacity building was needed? What standards were used for this evaluation?
- 7. Improving the Delivery of Services:** How have the institution's capacity building activities contributed to the technical ability of core institutions to provide improved services to customers?
- 8. Perceived Impact of Capacity Building Efforts:** What are stakeholders' perceptions of the Project's impact on capacity building?
- 9. Staff Retention:** What percent of staff that have been trained remain employed at core institution being supported?
- 10. PMPs & Gender Outcomes:** Have Mission and project PMPs captured the results of capacity building activities. How are gender outcomes reflected in the PMP for the Project(s)?
- 11. Sustainability.** How sustainable will the Project's capacity building activities be after the completion of the project?

C. Case Study Summaries

The full case studies are found in Appendix III. Provided below are summaries of each of the six case studies that were developed from the in-depth analysis. Individual findings, conclusions and recommendations are included in each summary. Global considerations and lessons learned from the “roll up” of the full set of six case studies are presented in Section VI.

Case Study # 1: Ministry of Agriculture, Irrigation and Livestock (MAIL)

The Client: With nearly 80 percent of the population of Afghanistan engaged in agriculture, the Ministry of Agriculture, Irrigation and Livestock (MAIL) is the highest GIRoA ministerial counterpart. The Ministry is currently undergoing a serious change management process, reviewing its program structure to meet the functions outlined in the Policy document of 2004, the Master Plan of 2005 and the Agriculture and Rural Development (ARD) strategy of 2008. MAIL is in the process of transition from a traditional line ministry, with direct involvement in production-promoting activities including government farms and delivery of free extension and inputs, into a modern, streamlined ministry providing public sector services and facilitating private sector development in the agriculture sector. This transition is in line with the vision, mission and development objective (goal) of the agriculture sector, which is set out in the February 2004 Policy and Strategy Framework and in the Agriculture and Rural Development Strategy.

The Project: For the purposes of the case study, ADF and ACE are treated as one, and interchangeably. Signed in June 2010, the Agricultural Development Fund (ADF) is a grant to facilitate lending to the agricultural sector. Co-joined to ADF and forming part of its future success is the companion Agricultural Enhancement (ACE) program. This cost-plus- fixed-fee contract with Development Alternatives, Inc. (DAI) is now completing Year One of a four-year implementation plan.

Summary Findings

Key amongst the summary findings is the failure of the GIRoA to stand up the Agricultural Development Fund (ADF) as a stand-alone institution. This has meant that the Implementing Partner, DAI, has had to take on the lending activities envisioned in the interim for ADF. The impact of this is not profound, but does point out the “less than in tandem” implementation of the two projects.

With respect to ACE, it is important to recognize that DAI has completed only the first year of the project, during which ACE had to undertake the lending envisioned for ADF because anticipated participating financial institutions did not seek participation.

With respect to offices, the implementing partner has opened regional offices in three provinces: Mazar, Herat and Jabalabad.

With respect to loans, lending is being done through the implementing partner and not through the ADF, and the lack of interest on the part of established banks has meant lending to non-bank financial institutions and associations.

With respect to management systems, ACE is in the process of introducing a credit management system that will in fact constitute the backbone of the ADF. The system, which will be operated and managed by Afghan staff, will be deployed by the end of 2011. For the value chain component of ACE, an up-to-date market information system is being developed jointly with MAIL.

With respect to budget supporting capacity development, ACE will invest an estimated \$1 million in capacity building activities throughout the life of the project;

With respect to gender, this is a mandate under ADF and one that the implementing partner and USAID/Afghanistan fully support going forward. However, problems such as land ownership, traditional family roles, among others as they relate to agricultural lending to women, do impact on the ability to move gender based lending forward.

With respect to sustainability, MAIL and the GIRoA will have to be more proactive in looking at and meeting the “transformational” goals of ACE and ADF to ensure success.

Summary Conclusions

The combined ACE/ADF projects each have only one year of implementation. That said, the GIRoA is woefully behind in its commitment to standing up the ADF. In many respects, ACE and the implementing partner, DAI, are ahead of where they should be at this point.

Currently, while the project is on line to be a successful “directed credit program,” it is not in the position to become a self-sustaining entity able to carry out lending beyond the life of the project. Without a demonstrated commitment to the latter, this will not happen during the life of the project. A successful directed credit program can be a successful USAID intervention, but it will not achieve the objectives of the combined projects and is a diversion for the project design, which called for on-lending through financial intermediaries.

Summary Recommendations

USAID/Afghanistan should be diligent in monitoring the progress of capacity development that leads to the transfer of ACE functions to the ADF. These transfers are critical if ADF is to become a successful lender in the future.

Other relevant recommendations resulting from the case study include the following:

- Progress toward gender-based lending is underway and ACE should be required to maintain its momentum. There is no indication that this is not being done.
- The pace of identifying and training staff that will eventually migrate to MAIL and the ADF should continue.

- With respect to sustainability, USAID/Afghanistan has the responsibility to monitor this process in a timely manner and act accordingly.
- The implementing partner should get out of the lending business. This was not envisioned in the program design and, while it is acceptable in the short-run, standing up an effective ADF is the ultimate aim of the combined projects; and,
- USAID/Afghanistan should take a highly proactive role in getting MAIL and the GIRoA to focus on and commit to establishing the ADF in a timely manner so as to ensure that an orderly development and migration of the functions of the implementing partner are undertaken.

Case Study # 2: Ministry of Public Health (MoPH)

The Client: The Ministry of Public Health (MoPH) is committed to ensuring the implementation of quality health care for all Afghans, especially through targeting resources to women and children and to under-served areas of the country by working with communities and other development partners. The Ministry is organized around seven General Directorates.

The Project: Following the end of REACH, Tech-Serve (Technical Support to the Central and Provincial Ministry of Public Health) was launched to build leadership and capacity of the Ministry of Public Health (MoPH) at both the national and sub-national levels. Tech-Serve will run until 30 September 2011. The goal of the project is to strengthen MoPH at all levels. Objectives are to improve the capacity of MoPH to plan, manage, supervise, monitor, and evaluate the quality of the Basic Package of Health Services (BPHS) and Essential Package of Hospital Services (EPHS), particularly for those at highest health risk. Tech-Serve initially worked with MoPH in 13 USAID-funded provinces. In 2010, at USAID's request, Tech-Serve expanded its geographical operations to work in an additional 11 Quick Impact Provinces. Tech-Serve is a US\$83.6 million five-year project under a Cooperative Agreement with USAID.

Summary Findings

To build skills capacity in MoPH, Tech-Serve introduced to the Central and Provincial levels: (i) leadership training, (ii) team building, and (iii) policy and strategy development skills.

To Improve management systems, Tech-Serve is strengthening health service delivery by improving the health workforce, health information systems, medical products, health financing, leadership, and governance.

Tech-Serve is working to improve MoPH's capacity to plan, manage, supervise, monitor and evaluate the quality of the Basic Package of Health Services (BPHS) and Essential Package of Hospital Services, (EPHS). It has introduced management reviews of NGO partners. For this

reason, the Partnership Contract for Health unit (PCH) conducts periodic financial and management assessments of health delivery projects implemented by NGOs in 13 provinces.

Tech-Serve also worked with the Grants and Contracts Management Unit (GCMU) to finalize an HR Manual and a Health Management Information System to improve health outcomes and services by assisting policy and decision makers and health workers to better manage and coordinate services, supplies and resources, Tech-Serve also introduced a Provincial Health Management System to the MoPH.

In terms of project costs, the five-year project is funded at the level of \$83.6 million. Tech-Serve staff estimates that essentially all project funding is directed at capacity building.

To assess skill levels, during the implementation phase (2006/7) Tech-Serve conducted a comprehensive training needs assessment, followed by a SWOT analysis. The analysis was wide and deep, and it assessed needs at the MoPH and provincial levels as well as NGOs that were delivering health services. The project also conducts follow up assessments after all trainings.

Summary Conclusions

To improve the delivery of services, Tech-Serve has provided technical, management, and leadership support to the directorates of (i) policy and planning (ii) child health, environmental and occupational health; and (iii) provincial liaison. Assistance to the Policy and Planning Directorate also supports better coordination with other ministries involved with health and nutrition.

At the provincial level, Tech-Serve has several key strategic programs to build the capacity of Provincial Public Health Offices. One, in particular, supports the Grants and Contracts Management Unit (GCMU) of MoPH. Through PCH, GCMU “contracts out” the implementation of BPHS and EPHS to NGOs. Tech-Serve provides technical assistance to PCH and GCMU so that they are in compliance with reporting standards, HR policies, assessment tools, etc.

MSH staff estimate that a substantial percentage of those trained under Tech-Serve continue to work with MoPH, and virtually 100% continue to work within the Afghan health sector.

In terms of PMPs & Gender Outcomes, it appears that capacity building metrics are captured in the indicators. However the format is most useful to those who are already familiar with the project. For others, it is more difficult to understand the metrics.

There has been substantial capacity building done over the past nine years, and particularly over the past five years under Tech-Serve. Training provided to health workers in the health sector will continue to be used within Afghanistan. If foreign support begins to dry up, there may be some reduction of quality, and certainly physical facilities will degrade. However, the human resource capacities that have been built up through projects like Tech-Serve will remain in place. In that sense, the work of Tech-Serve with Afghan health workers is clearly sustainable.

“On-budget” programming is the proposed way forward for USAID and the GIRoA. Since 2002, the GCMU has been strengthened to handle funds. It is currently “certified” to do so. USAID/Afghanistan expects to utilize Tech-Serve to develop the capacity of the GCMU.

Summary Recommendations

As USAID/Afghanistan prepares to move towards “on budget” funding, it should pay close attention to the strategies employed by Tech-Serve to assure compliance with USG procurement reporting and monitoring standards. MSH, the contractor implementing Tech-Serve, has been working with grants to NGOs for years. Also, in terms of capacity building, a contractor like MSH should be required to bring substantial institutional memory to the table, because they have been working for such a long time with the MoPH.

For the upcoming on-budget assistance, the proposed process requires USAID funding for MoPH projects that currently are managed through contractors or grantees like Tech-Serve to be funded directly through the MoPH. This expansion of PCH activities will require USAID and other stakeholders to provide appropriate support to the PCH to facilitate timely implementation of such activities. Failure to do so may lead to significant delays or non-implementation of some PCH health care service delivery.

Additional direct funding to the MoPH will also require vigilance over NGO activities by PCH consultants to ensure that USAID funds are properly spent and accounted for. Internal controls over financial and management processes need to be strengthened.

Case Study # 3: Ministry of Education: National Literacy Department (NLD)

The Client: The Ministry of Education is facilitating the development of human capital by providing equal access to quality education for all Afghans, enabling them to contribute productively to development and economic growth of their country. The Ministry’s strategic plan includes the establishment of a National Literacy Center (NLC) to guide literacy education initiatives; an increase in the number of literacy facilitators from 4,000 to 10,000 by 1387; and an increase in the literacy of 1.8 million adults by 1389. Such an initiative requires a systematic national strategy, combining an expansion of educational programs with outreach to traditionally underserved populations, including rural communities. The Ministry envisages this program happening with the partnership and support of NGOs, communities, and the private sector.

The Project: The Learning for Community Empowerment Program (LCEP-2) is part of USAID’s overall strategy for basic education and the lead effort to roll out a community-based component of the new National Literacy Program. LCEP-2 will target 312,000 youth and adults in rural as well as urban communities in twenty provinces. Women are expected comprise 60 percent of the total program participants. The Program will build the capacity of the Ministry of Education to enable individuals and their communities to develop functional literacy and numeracy, as well as to stimulate growth in their local economies, and strengthen social and political capital. The implementing partner for the program is UN–HABITAT. The program’s

main objectives include: (i) developing the institutional framework and strengthening the capacities of the Ministry to develop and manage its National Literacy Program; (ii) developing materials, pedagogy, and national systems to support community-based literacy; and (iii) developing a low-cost, scalable model and rolling it out across Afghanistan. The LCEP-2 program was launched in January 2008 and will terminate in January 2013.

Summary Findings

Principal findings are briefly summarized below:

With respect to capacity building skills, LCEP 2 has worked closely with Ministry staff to build skills in materials development, management training, and assessment techniques. It has introduced strategic planning skills, developed minimum program standards for the National Literacy Center, and established a certification system for literacy teachers and a Learner's Certification System.

For Management Systems, LCEP 2 has introduced monthly, quarterly, mid-term, and annual reviews, reports, and work plans.

To assess skill levels, LCEP 2 has developed and used the Key Performance Appraisal (KPA) system.

To improve the delivery of services, all staff received training in practical management, leadership, monitoring, communications and planning.

The staff retention rate is said to be about 90%. Capacity building efforts are not the cause of this; nor is it because staff are strongly committed to the program as many are led to believe. Instead, it is due to the fact that staff salaries in the Ministry of Education are relatively higher than in most other ministries.

Summary Conclusions

In terms of sustainability, from its inception LCEP-2, has planned to be embedded within the Ministry after completing its initial rollout into targeted communities. The LCEP-2 staff of Afghan professionals are well on their way to completing that vision.

The Department of the Deputy Minister of Literacy is made up of staff that originally worked for LCEP-2 staff and, after being trained by UN-HABITAT, became permanent National Literacy Department staff. The remaining LCEP-2 staff will be absorbed/ transferred to the Ministry of Education as government staff.

With two years remaining before the project ends, sustainability and safeguards to promote transition have been built into the program's design. Although many things can happen over the next two years, the LCEP-2 model appears to be a model worth USAID's attention. Its relative success to date may also be a case of having the right government officials championing the right cause in the right time and way.

Summary Recommendations

USAID should investigate LCEP-2 as a possible model for future capacity building programs.

With the institutionalization of the five major systems in the Department of Literacy, project representatives believe that the skills set developed will not only be sustainable but will further improve over time.

Transition to on budget funding will require that USAID/Afghanistan work with MoE/ National Literacy Department on providing continuing on-the-job training, mentoring and coaching.

Case Study # 4: DABS, (Da Afghanistan Breshna Sherkat -- Afghanistan's national power utility)⁴

The Client: Da Afghanistan Breshna Sherkat (DABS) is the national power utility of the Government of Afghanistan. Its mission is to “provide safe and reliable power – at reasonable rates – to facilitate national economic growth with integrity, transparency and efficiency.” DABS provides power on a commercial basis to municipalities across Afghanistan. It has a presence in all 34 Afghan provinces, and is structured around seven major hubs, (Herat, Jalalabad, Mazar, Kandahar, etc.), which in turn oversee subsidiary power utilities in smaller towns. DABS is responsible for the domestic generation of power, as well as for transmitting and distributing all of Afghanistan's electric power, including power imported from neighboring countries. However, the primary counterparts for the Kabul Electricity Service Improvement Program (KESIP) are the DABS Headquarters operations in Kabul (with a staff of approximately 600) and the Kabul power utility KED (Kabul Electricity Directorate), with a staff of about 1300.

The Project: USAID initiated KESIP to assist the Government in the commercialization and management of KED and the headquarters operations of DABS. Project goals are to assist DABS to: (i) reduce electricity losses from its national power distribution grid, and (ii) rebuild its technical, commercial and human resource systems. By November 2011, DABS is expected to operate like a modern distribution system with efficient systems for metering, billing and collecting revenue, run by well-trained Afghans. KESIP staff have included 15 long term expatriate advisors and 37 local Afghan professionals, most all of whom have been embedded.

⁴ At least three USAID Projects currently are doing capacity building for DABS: the Kabul Electricity Services Improvement Program (KESIP), the Afghan Energy Capacity Building Program (AECB), and Kandahar Commercialization, (also called Task Order 22). These are described sequentially, below.

Summary Findings

KESIP has clustered formal training under six headings: (i) supervisory and management training, (ii) HR training; (iii) commercial training; (iv) computer training; (v) English language training, and (vi) accounting and finance training. Specific programs have included courses like: Introduction to Management; Introduction to Supervision; Recruitment and Selection; Employee Appraisals; etc. KESIP has also had a substantial budget, and a staff of approximately 52 individuals. The Project has documentation showing that more than 60% of the work the staff does is on-the-job training (OJT). Functionally, nearly 100% of embedded staff work is OJT. Through these embeds KESIP management estimates that its staff provide more than 100,000 hours of on-the-job training per year as part of their massive corporate turn-around efforts.

KESIP addresses capacity building through seven work streams, each of which involves a systemic cluster of management activities, which together constitute a holistic strategy for rationalizing the management operations of DABS and KED. Management training modules have included programs in time management, meeting management, situational leadership, problem solving, motivational techniques, strategic planning, etc.

KESIP has had a budget of approximately \$48 million, including \$14 million in procurement. Staff estimates that at least \$40 million has been directed at capacity building. Thus, in round numbers, more than 80% and perhaps as much as 90% of USAID funding has been directed at capacity building.

For gender issues, KESIP reports “gender issues have not been seen [as an issue] in the capacity building to date.” Approximately 12% – 13% of KESIP project staff are women. Of the nearly 900 staff from DABS and/or KED who have been trained to date, approximately 20% (173) have been women. DABS recently hired a female gender advisor to give this issue greater visibility.

To assess skill levels, KESIP designed a training needs assessment using standard procedures to identify the core needs in the areas of: distribution networks; meter reading; billing processes; revenue collection; and customer services, as well as essential skill requirements such as IT.

To build capacity to deliver services, KESIP’s work was primarily directed at improving revenue collection, reducing losses, and building fundamental skills for new leaders to manage their functional areas better. The results are reflected in KESIP’s most recent quarterly report, which stated that KESIP has now delivered more than 50 courses to nearly 900 trainees, and that project Managers have received feedback from key stakeholders, who describe their training as useful and valuable.

For staff retention, KESIP project management reports that retention is about 75%. Turnover happens almost exclusively among male trainees.

Summary Conclusions

KESIP conducted a comprehensive training needs assessment, and came up with solid data with which to proceed with their capacity building strategies. KESIP has a well-designed approach to systematically identify management needs, and then deliver training programs and change management strategies that address key management needs. It may take several years for DABS to become fully sustainable. Achieving sustainability may also require some adjustments in the national tariff structure because without the ability to charge market rates for electricity that it is being provided, it is almost impossible for DABS or KED to become fully self-sustaining. At the moment, nearly all capital costs for new power systems are being covered by foreign donors.

Summary Recommendations

Building sustainable capacity for an organization like DABS is going to require further support and investments, probably from multiple donors.

KESIP's holistic approach to corporate change merits further analysis, and may prove applicable for other USAID capacity development projects.

KESIP's use of third country expatriate technical assistance should continue to be encouraged. Local knowledge and context is leveraged as a result.

DABS, Part II: Afghan Energy Capacity Building Program (AECB)

The Client: (See client description under KESIP above). Unlike KESIP, AECB was working with the entire DABS and not just with the Headquarters Unit. Thus its client and relationships with DABS were different than KESIP's relationships.

The Project: In July 2008, USAID launched the Afghan Energy Capacity Building Program (AECB) to provide technical, managerial, and administrative capacity building to the Afghan energy sector. The Project had an overall budget of \$18.7 million dollars, and involved work with multiple agencies in the electrical sector. AECB estimates that approximately 55% of total contract funds were spent on DABS. Most of AECB's work with DABS has been directed at providing DABS technical staff in the Kabul area with computer and English proficiency as well as mentoring and OTJ training for staff of nine major Kabul substations and three hydropower plants, and DABS power utility personnel in Kandahar

Summary Findings

With respect to management systems, much of AECB's work has involved skills training in English and computers. AECB has also used embedded Farsi-speaking Tajik engineers to provide OJT training to DABS personnel working on nine substations and switching stations and related facilities along the NEPS route between Uzbekistan and Kabul. This OJT work has involved bring 20 kV power to more than 450,000 new customers using NEPS power.

AECB estimates that approximately 55% of total contract funds, or \$10.3 million, were directed at work with DABS. Of this money, they estimate that more than 90% was spent on capacity building.

For gender issues, the overall staff of DABS exceeds 6,000, but fewer than 5% are women, most of who are in clerical, administrative, or planning positions. Because AECB was working almost exclusively with the technical components of DABS, it has had negligible involvement with women. For evaluating skill levels, AECB essentially enrolled anyone that DABS proposed, and worked with whomever was in a particular job position.

AECB's training in English and computers was central to allow power operators to manage the new computer control systems that are being installed around the country. AECB also trained DABS staff at nine substations or switching stations through both formal and extensive on-the-job training.

For training, AECB has provided a documented 430,000 instructional hours to DABS personnel. Much of this formal classroom training was for English and computer training. In addition, the project sent 71 Electrical Engineers and technicians abroad for training courses. AECB also supported capacity building for the North East Power System (NEPS) with embedded Tajiki engineers, who trained DABS personnel in NEPS systems operations management and 220 kV high tension O & M.

For PMPs, while most of the work AECB does with DABS is really 'capacity building' and while individual activities are being captured, the cumulative totality of this impact is not being fully captured by current PMP reporting. Project reports could more clearly summarize their overall impact and the results of their efforts to support capacity building. A simple narrative description could help clarify such overall impact.

Summary Conclusions

Training in English and computers is central to building capacity in order to give DABS operators the ability to operate the new computer systems that are required to run the NEPS system, the hydro stations, and other power facilities being upgraded around the country. The training that AECB provided to sub-station operators was important for the overall safety and prudent operations and maintenance of the system and facilities.

In terms of sustainability, almost all training and capacity building that AECB has done at DABS is being used within DABS, and will continue to be used for many years into the future. Another aspect of sustainability involves the tariff structure. While collection rates have improved substantially over the past couple of years, the tariff is still not in conformity with market prices. For DABS to become sustainable, this issue of tariffs needs to be addressed. Until the costs of producing power are at parity with tariffs being charged, it will be impossible for DABS itself to become fully self-sustaining.

Summary Recommendations

The use of Farsi-speaking Tajik engineers to train sub-station operators in standard international practices for utility management is an important contribution and merits USAID/Afghanistan support in other projects.

Current USAID reporting systems are not fully capturing the capacity building activities of AECEB and other contractors. USAID should consider new reporting tools to more accurately measure the impact of capacity building programs.

DABS, Part III: Kandahar Commercialization (Task Order # 22)

The Client: Task Order # 22 (“Kandahar Commercialization”) is working exclusively with a municipal power utility that is a subsidiary branch of DABS. DABS/Kandahar is responsible for generating and/or dispatching and distributing power to customers, from diesel generators to hydropower. As the power utility for the City of Kandahar, DABS/Kandahar currently provides electricity to approximately 50,000 registered customers, all of whom are nominally metered, however an unknown number of additional customers are not metered, and use unofficial connections to secure power for which no payment is made.

The Project: TO 22’s objective is to help build the capacity of DABS/Kandahar to make it into a viable, sustainable organization. The Task Order commenced work in Kandahar in August 2010, and will cease work December 31, 2011, after 17 months. The Task Order has an effective budget of approximately \$5.5 million for work in Kandahar. Project staff consists of four expatriates and eight Afghans who have been assigned to Kandahar since May 2011. While the project nominally shifted from Kabul to Kandahar in August 2010, most staff did not arrive until June 2011. T.O. 22 now ends in less than six months.

Summary Findings

For capacity building skills, TO 22 has trained 40 – 50 individuals in English and Information Technology. The pass rate for training that has been offered is reportedly low.

In terms of management systems, TO 22 has tried to set up capacity building systems involving new computer software for Human Resources, Customer Care, Financial, Inventory and Asset Maintenance. Apart from computerized bill printing, however, most systems now being used by DABS/Kandahar are still paper systems. The existing organization is largely staffed with older men who often have worked for a long time with DABS/Kandahar, and now find it hard to convert to working with new IT based management systems. All administrative and financial business processes are manual. Management information is limited, with inadequate controls. The organizational structure is dysfunctional. The current CEO is not in control. Meters are mostly beyond repair.

For project costs, TO 22 started with a budget of approximately \$7 million, of which approximately \$5.5 million has been devoted to DABS/Kandahar, after the project was redeployed from working with DABS/Kabul. Project staff estimates that more than 90% of the \$5.5 million has been directed at ‘capacity building,’ if this term is used broadly.

In terms of gender, DABS/Kandahar staff consists of 423 men, and 0 women. Many cultural issues make it hard for women to work in Kandahar. To assess skill levels, TO 22 staff report that they tried to conduct typical needs analyses, but were precluded from doing a formal needs assessment because DABS/Kandahar reportedly did not want such studies conducted, apparently seeing such analysis as a threat to their existing ‘systems.’ When it comes to improving the delivery of services under TO 22, staff report significant senior management resistance to capacity building activities. In terms of perceived impact of capacity building, TO 22 project staff report anecdotal evidence of people’s continued frustrations with DABS/Kandahar, and the quality of the service. With regard to staff retention, nearly 100% of the staff who have been trained continue to be employed by DABS/Kandahar. In many cases, however, the training is not used, because the organization has other interests, and does not want to adopt new or revised systems.

Summary Conclusions

TO 22 is working inside an organization that is neither functional nor sustainable. There is resistance to nearly all proposed changes. TO 22 has tried to introduce a range of management systems to improve utility operations, but there is a strong incentive to preserve existing systems as they are. The larger corporate culture of DABS/Kandahar is not disposed to change. This has severely limited the abilities of TO 22 to improve capacities within DABS/Kandahar.

Summary Recommendations

USAID should carefully assess the internal corporate culture of each organization before it commits to capacity building efforts, and it should particularly look at the incentive systems that make the organization tick.

USAID should also consider the time it takes to build capacity, particularly in an organization with a well-entrenched bureaucracy in the absence of strong and meaningful political will for change.

Case Study # 5: Afghan Urban Water Supply and Sanitation Corporation, (AUWSSC)

The Client: The Afghan Urban Water Supply and Sewerage Corporation (AUWSSC) is a newly formed government-owned corporation with a mission to supply urban residents with potable drinking water. AUWSSC now has approximately 1,060 staff, which includes 375 in Kabul Headquarters and 686 in Strategic Business Units (SBUs) and satellite water utilities.

Organizationally, AUWSSC Headquarters oversees six SBUs, which are public water utilities in

Afghanistan's larger provincial capitals. AUWSSC's annual Government budget is \$12 million, given by donors to AUWSSC, entirely for capital costs. No money is available from the Central Government for operations, although AUWSSC receives some financial support from the Kabul SBU, and perhaps from Herat.

The Project: ICMA manages the Commercialization of Afghanistan's Water and Sanitation Activity (CAWSA) Project. CAWSA seeks to transform the SBUs in Mazar-i-Sharif, Jalalabad, Kandahar, and two smaller municipal water utilities in Gardez and Ghazni by converting them from bureaucratic agencies to viable, efficient, self-sustaining commercial enterprises. The program seeks to strengthen the management capabilities of these SBUs and their satellite municipalities, and improve community access to water. CAWSA is standing up three of AUWSSC's six Strategic Business Units (SBUs). Through these three SBUs, CAWSA also works with six satellite-water systems, thereby building capacity for a total of nine of Afghanistan's 34 provincial capitals, providing water to nearly 500,000 people. The project commenced in November 2008, and is scheduled to end in November 2011. Its total budget is \$10.6 million.

Summary Findings

CAWSA project staff estimate that more than 90 % of their project has been devoted to capacity building, with a primary focus upon skills development. In terms of management systems, CAWSA has introduced a range of new systems to improve SBU operations. CAWSA's strategy involved a systems approach, including (i) formal training, (ii) on-the-job training, (iii) the provision of equipment (computers, software, transport, etc), (iv) embedding staff at the Sub-National level, and (v) study tours.

In terms of project costs, approximately \$9.8 million of CAWSA's \$10.6 million budget (more than 90%) has been directed at capacity building. CAWSA started with only one senior long-term expatriate assigned to the project. For gender issues, CAWSA reports that the project faced barriers in almost every SBU. To address such issues, the project employed seven Afghan women as meter readers in Jalalabad and Mazar. These women initially began as meter readers, but now increasingly serve as customer care representatives. To improve the delivery of services the SBUs have expanded the number of household connections by more than 41,000 (9.7%), improved the quantity and quality of the water they deliver, increased the number of hours per day of service, and reduced the cost per cubic meter of delivered water. Through the women meter readers, the SBUs are in the process of adding a health education outreach component.

For staff retention, of approximately 200 SBU and satellite employees, the staff retention rate has been virtually 100%. Of the CAWSA Afghan staff, approximately 80% have stayed during the life of the project. CAWSA estimates that perhaps 70% of CAWSA project employees will probably stay on as permanent employees of AUWSSC.

Summary Conclusions

The key to CAWSA's success seems to be in part from the way they have combined various pieces of their strategy together to form a more integrated approach to capacity building, coupled with their use of embedded staff. In the specific case of municipal water utilities, front-end loading too many expatriate consultants at the beginning of the project probably would not have been cost effective, or represented the best approach.

In terms of sustainability, a significant percentage of the young Afghans embedded with the SBUs will probably remain after the completion of the project, and the computerized management systems will remain. However, CAWSA staff question whether SBUs and smaller municipal systems will generate sufficient income in the future to handle significant expansions of the water systems, or cover capital costs.

Summary Recommendations

USAID should consider embedding Afghan staff in suitable positions, where they can provide continuous on-the-job training, mentoring, and support. USAID should also consider the time it takes to make meaningful changes in Afghan organizations. Sustained, gradual improvements over an extended time period may produce more sustainable improvements in capacity.

Case Study # 6: Independent Administrative Reform and Civil Service Commission (IARCSC)

The Client: The Independent Administrative Reform and Civil Service Commission was established in 2002 with the mandate of establishing a modern, responsive, democratic, gender sensitive, transparent and accountable public administration. The IARCSC has a dual role with respect to Afghanistan's government personnel. As a Commission, it provides for 'checks and balances' between GIRoA and its employees, while also serving as the GIRoA's personnel Ministry. It is currently divided into seven 'business units' or directorates and boards: (i) Civil Service Management Department (CSMD); (ii) Independent Appointment Board (IAB); (iii) Independent Board of Appeals (IBA); (iv) Administrative Reform Secretariat (ARS); (v) General Directorate for Program Design and Management (GDPDM); (vi) Afghan Civil Service Institute; and (vii) Provincial Affairs Directorate (PAD).

The Project: The Afghan Civil Service Support (ACSS) Project was an early candidate for "*Afghan First/Afghan Led*" implementation. This has materially affected both the IARCSC and ACSS. USAID's imperative of "Afghan-led, Afghan-first" fundamentally shaped and colored ACSS, and provided a context for project implementation, and the implementing partner's relations with its counterpart. The earliest days of ACSS starkly revealed the inability of the IARCSC leadership to develop actionable work plans, for example, and what the project would accomplish under Afghan ownership of decision-making.

The Afghan Civil Service Support (ACSS) project was to be an \$84 million one-year USAID-funded initiative that built upon prior interventions supporting public sector capacity building and reform within the IARCSC. It has been extended to October 2011. The goal or overall purpose of ACSS is to “improve the efficiency and transparency of GIRoA to deliver basic services to citizens at national and sub-national levels by enhancing the capacities of IARCSC to support reform and capacity building in the public sector.” The modalities to build capacity include training, mentoring and coaching, workshops, study tours, policy and procedures, financial and administrative systems, among others.

Summary Findings

The findings below are for ACSS only and not for the support to IARCSC which has been continuous since the Afghan Building Capacity (ABC) project, which subsequently led to the Capacity Development Program (CDP). Other donors are significantly involved with the IARCSC, most notably the World Bank.

An evaluation of ACSS undertaken in late 2010 was included among the documents reviewed as part of the IARCSC Case Study. It contained a number of important findings vis-à-vis the matter of capacity building. These are:

- Without continued salary support, most activities undertaken under ACSS are not sustainable;
- While Gender was important in the capacity building strategy of the IARCSC, but it was often not present in implementation;
- Afghan First/Afghan led materially delayed and often kept the implementing partner from implementing programs and activities agreed upon with USAID due to multiple and competing decision makers within the Commission;
- A potential legacy of ACSS will be the management systems put in place and the standardization of policy and procedures for hiring government personnel;
- While the civil service institute stated it has trained 4,000 people on site during ACSS, it is unclear at what levels of competency, what happened to the trained individuals, and what training will remain beyond the ACSS project;
- Embedded advisors often undertook line management functions, but overall, ACSS is a capacity strengthening program; and,
- Sustainability will be a real issue when the implementing partner completes its contract. With the significant levels of project-financed staff positions, it is unclear how many elements of ACSS can or will be continued.

Summary Conclusions

With respect to “Afghan First”, ACSS did not benefit as it was not incorporated early in the design of the project. With respect to the success of embedded advisors, ACSS demonstrates that many decisions relating to embedded advisors are personality-driven. The roles and responsibilities of planned embedded advisors within IARCSC should be fully “socialized” within IARCSC, beginning in the design stage of assistance and continuing through full implementation.

For training, the training institute was seen as being a perfect model for training, yet in practice the institute was woefully lacking in direction, skill sets and proven implementation.

Regarding sustainability, the transition from USAID-financed support to the next generation(s) of support could lose some of the impact garnered to date. This can be mitigated, in part, by taking into consideration the Mission’s long investment in civil service reform coupled with a strong dialogue with other donors.

Summary Recommendations

For future “on-budget” programming, proper planning for the roles and responsibilities under on-budget programming should be codified. This is important in that the next implementing partner may well be able to reduce the difficulties encountered within ACSS.

For continuing capacity development, that which is achievable in capacity development should be identified, that which will not be achievable should be noted and considered for elimination in the future.

The numbers of staff paid for under ACSS will impact most of the Directorates of IARCSC, but not all. For example, only the Appeals Board and the Provincial Directorate do not currently rely heavily upon ACSS for staff salaries. Conversely, the training institute will be impacted greatly without a thorough look at its roles, responsibilities, and needs going forward.

USAID/Afghanistan has a significant investment in civil service reform in Afghanistan. Prior to the end of ACSS, a full assessment of what has been done and what remains to be done should be undertaken, in order to build bridges from contract to contract.

VI. Cross Capacity Comparison

1. Background

The Statement of Work called for a Cross Capacity Comparison of projects selected by the Mission’s Technical Offices. Not all offices participated in the comparison. The list of projects is identified below in Methodology. In addition to identifying implementing partner and project dates, six variables were chosen for comparison: (a) goals for capacity development, (b) definition(s) for capacity development, (c) approaches, (d) selected indicators, (e) gender and (f) expected outcomes. At the request of the Mission, there was a slightly greater focus on the gender variable.

A total of 21 projects were selected for comparison. They ranged from new starts to projects that have already been completed. They represent a majority of the capacity development initiatives undertaken by USAID/Afghanistan with the GIRoA. The focus was on government-to-government, including downstream efforts to the provincial level.

A completed Cross Capacity Comparison form for each project is included in Appendix V.

1. Methodology

The Cross Capacity Comparison was limited to a three step process: documentation review, meetings with the projects' COTRs/AOTRs and, when possible, meetings with the implementing partner. All information contained in the collated forms had to be from secondary sources and could not reflect opinions of any particular person. USAID/Afghanistan provided some 3,000 documents to the evaluation team, many of which were not relevant to the evaluation. Some information remained unavailable to the evaluation team, but most Technical Offices have been very supportive of the exercise.

All projects agreed to are included in the Cross Capacity Comparison. The six "in-depth" analyses that led to the Case Studies are a sub-set of the total list of projects. That said, all projects were subjected to the same format and analysis of the six variables to ensure an adequate and fair comparison. The 21 Projects covered are:

- Tech-Serve
- Basic Support for Institutionalizing Child Survival (BASICS) – III
- Commercialization of Afghanistan Water and Sanitation Activity (CAWSA)
- Afghan Civil Service Support (ACSS)
- Learning for Community Empowerment Program (LCEP) II
- Agriculture Development Fund (ADF)
- Agriculture Credit Enhancement (ACE)
- Afghanistan Energy Capacity Building (AECB)
- Kabul Electricity Service Improvement Program (KESIP)
- Kandahar Commercialization
- Civilian Technical Assistance Program (CTAP)
- The Building Education Support Systems for Teachers (BESST)
- Higher Education Project (HEP)
- Enhancing Legal and Electoral Capacity for Tomorrow (ELECT) [see footnote No. 02]
- Afghan Civil Service Support Program (ACSS)
- Regional Afghan Municipalities Program for Urban Populations (RAMP UP) East
- Performance-Based Governors' Fund (PBGF)
- Support to the Electoral Process (STEP)
- Afghanistan Social Outreach Program (ASOP)

- Rule of Law Program (Formal)
- The Economic Growth and Governance Initiative (EGGI)
- Road Operation and Maintenance (O&M) and Capacity Building Program (TO#14)

Information for each project was tabulated by variable on a separate form (see Appendix V). The completed form for the Learning for Community Empowerment Program (LCEP-2) is shown in Table 5 below for illustrative purposes. The evaluation team’s comparison of information reported for all projects on a given variable. In summary, the cross variable comparison, as detailed elsewhere, is of limited value given the results obtained by the evaluation team.

**Table 5: Cross Capacity Comparison: Illustrative Example
Learning for Community Empowerment Program (LCEP – 2)
Similarities & Differences: USAID/Afghanistan Capacity Building Activities**

Implementing Partner:	UN-Habitat
Start –End Date:	July 31, 2008 to January 30,2013
Goals for Capacity Development:	Develop the institutional framework and strengthen the capacities of the Ministry of Education to develop and manage its National literacy Program as a partnership between government and communities.
Definitions for Capacity Development:	There is no specific definition for capacity development in this project, while the project was designed for capacity development by having two components, the literacy components and productive skills component.
Approaches to Capacity Development:	Institutionalized framework for NLP Implementation Supported. Improved literacy and life skills of youth and adult learners. Improved Productive and Business Skills of youth and adult learners. Sustainability of LCEP-2 learning model advanced. Training and materials development systems implemented.
Selected Indicators of Capacity Development:	Improves quality of literacy programs supported through policies and standards. Improved core management skills of NLC. Literacy training and life skills training implemented. Productive and Business Skills training implemented. Sustainability of LCEP-2 learning model advanced. Improve quality of the teaching force. Out of school Youth and adult literacy initiatives expanded in targeted areas.
Gender Capacity Building:	The project was not specifically designed for Gender Capacity Building.

<p>Expected Outcomes related to Capacity Development:</p>	<p>Government support structures established, trained and consolidated (MoE, MRRD, MoLSMD, MoWA, MoPH, Ministry of Haj and Endowment) at the district, provincial and National level for the support, management, and oversight of the program.</p> <p>A sustainable nation-wide training system exists, through the establishment of the National Literacy Center, to deliver and support community-based and managed, integrated lifelong learning, literacy and productive skills training.</p> <p>Development of learning materials corresponding to needs identified by rural communities, in areas such as finance; business; production; health; communal management and administration.</p>
--	---

Summary Findings, Conclusions and Recommendations

Summary Findings

The question of how capacity development is being implemented across a broad range of programs and across USAID/Afghanistan offices is a valid one. The methodology called for in-depth analysis of six selected counterpart agencies and associated capacity building projects along with a documentation review of a total of 21 projects. The questions asked in the Statement of Work, the projects selected, and the institutions examined did provide for outcomes that are reflected throughout this document.

The evaluators found that the methodology will not work across such a broad and disparate range of projects. While it might still be a feasible approach for analysis of projects in a single sector, such as the health sector, this would require a different set of metrics that match more closely to the reporting that is done by the implementing partners and/or the GIRoA. There is a uniform lack of consistency within the reporting to USAID on all six variables selected for the cross-comparison: goals; definition of capacity development; approaches; indicators for capacity development; capacity development as it applies to gender; and, to a more limited extent because it matches more closely to the input/output nature of most reporting undertaken, expected outcomes.

Summary Conclusions

The in-depth analyses provided the basis for six case studies. The institutions and projects selected varied greatly, providing the evaluators with a broad range of findings, conclusions and recommendations.

The Mission is not currently capturing the full impact of its capacity development activities. Starting with PMPs and Work Plans that are input/output based, the Mission is missing an opportunity to fully count the number of individuals benefiting from its capacity development initiatives. One look within a GIRoA ministry will show dozens of examples of individuals who

are in place as a result of the training that they received. At the case study level, evidence exists that capacity is staying within the sector. For example, in the health sector, nearly all of those who received training continue to work in health-related occupations, although not necessarily in the same job or even in the government sector.

The value of having effective, committed leadership within an implementing counterpart agency is both a finding and a best practice. Where dynamic leadership is present in a counterpart agency, the more likely it is that capacity development will take place and be sustainable.. Conversely, when that person leaves or such institutional leadership is absent, this diminishes the value of the capacity development assistance provided.

The USAID-funded contractor or grantee has substantial influence over the counterpart agency when it comes to capacity development because of the control they have of project funding. There appears to be a direct correlation between the implementing partner's ability to provide internet access, office equipment, etc., and the willingness of the counterpart agency to do what the implementing partner wants.

Capacity development is most often looked upon as a "catch all" category in which activities that don't fit into any other category are placed. Often, when asked to define capacity development under a given project, respondents referred to the Intermediate Results.

Gender is treated differently in and amongst the 21 projects compared. There is a uniform *lack* of consistency across the projects, and often within a single project. The evaluators found gender to be identified as a critical element but one with no pattern of approaches or indicators.

The six variables selected for the Cross Capacity Comparison are not measurable through a documentation review. The metrics used for reporting by implementing partners do not lend themselves to a cross comparison in a broad sense. A more targeted comparison, as in one sector (e.g. roads, health, education, etc.) might produce a more useful analysis.

Socialization is a best practice. The more the role of a technical advisor is socialized with his or her counterparts, the more likely that person will succeed in the assignment. Lower levels of socialization lead to less success.

Leveraging or bundling technical assistance at the individual level is a best practice. When on-the-job training is compared with other interventions like formal classroom training, mentoring, and the provision of computers and relevant software, etc., it has greater impact on capacity development.

The more the counterpart GIRoA agency is involved in the capacity development design the better the capacity development works. Less involvement yields less ownership/commitment.

Summary Recommendations

Where applicable, the evaluators agreed to “roll up” findings, conclusions and recommendations to a global level, that applied generally across all projects and the methodology used. This resulted in a mixed set of recommendations some more important than others

There is no uniform definition of capacity development among the 21 projects reviewed. It is recommended that the Mission consider the need for a uniform definition, at a minimum within the Office unit, and preferably at the sector level (e.g. roads, health, education, etc.). The utility of having a broader definition, at the Mission level, is questionable because it might be so generic that it is of little help in focusing the technical assistance.

Often state-of-the art capacity development ideas, tools and activities are selected for upgrading a GIRoA unit that has been operating under older, more traditional management structures. This disconnect appears repeatedly. A two-fold recommendation is presented. First, the enabling environment for capacity change must be understood before the design of interventions is finalized. Second, a more “packaged” approach to capacity development should be considered beyond mid to micro level views of capacity development.

Capacity development should not be a “catch all” category or a placeholder for funded activities. Rather, it is recommended that the proposed definition and implementation of capacity development be identified at the pre-design stage and follow through to procurement, contractor selection, and implementation.

Often, when the assistance ceases, the capacity development stops or begins to decline. Building on the recommendation immediately above, it is recommended that the “end game” for capacity development be at the forefront of the design process. What happens to the investments should be thought through by Mission design personnel at the start of a design process, not towards the end of implementation.

Given the nature of Foreign Service assignments, with the timing of COTR assignments changing over the life of a particular project, this may not be something that can be addressed. However, multiple COTRs often results in less cohesion, and differing ideas and directions regarding capacity development during an agreed upon work plan period. It is recommended that AOTRs be vested with the requisite responsibilities, where possible.

The greater the partnership between the implementing partner and counterpart agency, the more likely the results will be more useful for capacity development. Similarly, implementing partners who are co-located with their counterpart appear to generate more momentum and commitment. It is recommended that the Mission look at the correlation between co-location and sustainability once a project ends.

Based on interactions with some 18 COTRs, it is clear that the understanding of on-budget programming is rudimentary and certainly not at the level to begin project design and

implementation. For example, knowledge of what is needed in a Public Financial Management (PFM) unit is at best generically understood. It is recommended that full training modules be developed as part of the Mission's move to on-budget programming.

A framework for implementing on-budget programming needs to be developed, and the respective officials involved in on-budget programming need to be more closely linked to those designing and implementing projects. A review of MoPH's Grants Contracts Management Unit (GCMU) and MAIL's progress toward on-budget programming would be a good place to start the exercise, and provide learning tools for Mission staff.

At the time of this evaluation, the Mission was moving toward a cross Office "team" to begin on budget training. Members would be drawn from such offices as the RLA, OP and OFM, among others, as needed to further train the project staff. This is a highly needed activity for developing the on-budget project implementation skills that will be required.

USAID/Afghanistan On-Budget

In May/June 2011, eight USAID programs from over 27 were prioritized by the Ministry of Finance and further submitted in the GIROA budget to the Afghan National Assembly and approved April 7, a requirement for on-budget support.

Of these eight USAID on-budget programs, 5 Ministries were selected based on their absorptive capacity and ability to manage on-budget assistance. Thus a joint signing ceremony was convened June 21, 2011 to further develop opportunities for Government to Government assistance knowing that technical assistance for each of these discrete programs would be guided by the results of the Technical Capacity Assessments as well as the risk assessments for each of these ministries as a pre-requisite for on-budget assistance.

As of July 2011, the largest On-budget program in the USAID portfolio, Power Transmission Expansion and Connectivity (PTEC), is proceeding with a host country contract with the Ministry of Finance that in turn the Minister of Finance will further delegate authority on behalf of the GIROA to the state-owned electricity enterprise, Da Afghanistan Breshna Sherkat (DABS), to serve as its contracting agency for the purposes of the PTEC project.

On-budget support requires specific steps for each activity. USAID determines the best funding mechanism based on guidance from the Technical Capacity Assessments and risk assessments that are both on-going currently for the five on-budget programs that were approved in the MOF national budget submission (Solar Year 1390) April 2011.

[Provided by Cynthia Huger, OPPD].

Appendix A: Statement of Work

STATEMENT OF WORK

For

EVALUATION OF USAID'S CAPACITY BUILDING EFFORTS

I. PURPOSE

The purpose of this evaluation is to inform the transition process by conducting a program evaluation of USAID capacity building efforts in Government of the Islamic Republic of Afghanistan (GIROA) institutions. This evaluation will assess capacity building projects, evaluate the effectiveness of those efforts, and identify best practices in capacity building activities. Focus will be given to capacity building projects that build and strengthen GIROA systems and institutions at the national and sub-national (province, district and municipality) level. This evaluation will assist USAID in determining the degree of success in current capacity building and identifying lessons learned for development of future capacity building projects.

II. BACKGROUND

The USG has a vital national interest in helping the Afghans build an effective and legitimate state and government. One key component of the USG's strategy is improving governance to provide better services for the people of Afghanistan. Building the capacity of the Afghan government strengthens its ability to deliver services to its people, as well as increasing the long-term ability of the Afghans to manage their own resources for sustainable growth. As such, capacity building is one of the key foundational investments that the USG is currently making in Afghanistan, and will continue to merit attention in the future. USAID's capacity building activities are key to these efforts.

The majority of USAID/Afghanistan's programs that partner with the Government of the Islamic Republic of Afghanistan (GIROA) include capacity building components to improve service delivery and strengthen institutions' ability to perform their mandates. The health, education, economic growth, democracy and governance, agricultural and engineering offices in USAID/Afghanistan are all implementing capacity building activities with a variety of institutions that focus on improving the capacity of institutions, processes and people. While capacity building activities take place in the public and private sector and at multiple levels, this evaluation will focus on the capacity building projects that build and strengthen institutions and processes in GIROA institutions at the national and sub-national (province, district and

municipality) level. This includes 18 of the 22 capacity building activities currently being implemented by USAID/Afghanistan.

Given USAID's significant investments in capacity building activities, it is imperative to understand the effectiveness of these investments and identify best practices within the USAID programs. For the purposes of this evaluation, we will use the following definition of capacity building: the process through which individuals, organizations and societies obtain, strengthen and maintain the capabilities to set and achieve their own development objectives over time.

In addition to providing valuable information for USAID programming in Afghanistan, this evaluation will also contribute to a more complete picture of USG capacity building efforts, as the U.S. Government Accounting Office (GAO) is auditing capacity building projects within the sphere of public financial management and the Special Inspector General for Afghanistan Reconstruction (SIGAR) is auditing capacity building in the agricultural sector.

III. EVALUATION OBJECTIVE:

The objective is to determine the extent to which the USAID's capacity building interventions have strengthened the organizational, technical and management capacity of GIRoA systems and institutions at the national and sub-national levels, and identify best practices from among the evaluated activities.

IV. STATEMENT OF WORK

The program evaluation will focus on assessing USAID/Afghanistan's current capacity building activities with GIRoA institutions at the national and sub-national levels and providing an in-depth evaluation of a subset of those activities. The evaluation will identify successes, gaps, and constraints in the implementation of a sub-set of these program activities. It will also identify results and lessons learned, and make recommendations on key issues for consideration for the creation of new capability building programs.

Specifically, the evaluation will address the following questions:

Context (10%)

- What are the similarities and differences in USAID's capacity building assistance activities across the Mission in terms of goals, Definitions, approaches, indicators and expected outcomes?
- What are the similarities and differences between capacity building assistance provided to men and women in terms of (a) numbers of programs, (b) numbers of participants, (c) funding, (d) assistance focus, e.g. agribusiness vs. poultry raising and (e) technical sector?

Evaluation (70%)

- What specific capacity building skills and management systems have been introduced to government institutions by USAID? Which have been the most effective and why? And which have been the least effective and why?
- How cost-effective have different capacity building approaches been? Do the most expensive capacity building interventions result in more effective outcomes (e.g. have US embedded consults been more effective than local/regional consultants)?
- How do project assessments and designs identify and address other (non-capacity building) factors that affect GIRoA staff performance to remove barriers to performance? Are gender issues relevant as a non-capacity building barrier?
- Are skill levels of GIRoA staff being effectively evaluated to determine where the gaps exist and what types of training/capacity building are needed? What standards are being used for this evaluation? Are the standards consistent across capacity building projects? If not, what are the major differences? Is the skills assessment considering other donors' capacity building activities?
- How have the capacity building activities contributed to the technical ability of GIRoA to provide basic services at the sub-national level (province, district and municipality)?
- What is the perceived impact of the capacity building activities on GIRoA? How do the perceived impact of USAID capacity building projects compare to that of other donors' projects?
- Is trained staff remaining employed at GIRoA institutions? What factors affect the retention of staff?
- Are Mission and project PMPs capturing the results of capacity building activities? Are gender outcomes adequately reflected in the PMPs?

Best Practices/Lessons Learned (20%)

- What are the key factors that influenced the degree of success in capacity building efforts for both successes and failures? What best practices can be applied to harness these key factors during each stage of transition?

V. METHODOLOGY

The evaluation will be conducted by a team of up to 6 persons, comprised of both US consultants and Afghan specialists. Data will be collected using primary and secondary sources. This will include a review of relevant documents including program reports for all programs and In-depth interviews with key informants and surveys for a subset of programs as part of an in depth evaluation. Data will be collected in Afghanistan. The evaluation will use a mixed methods approach (quantitative and qualitative data) to assess the different aspects of specific capacity building programs in order to comprehensively answer the questions listed under Section IV. Though the evaluators have leeway to design and use the most appropriate evaluation tools, the approach should be participatory in both design and implementation and most likely will be a combination of in-depth interviews, sample surveys, and analysis of existing data. Due to the constantly changing security situation in Afghanistan, close coordination with USAID/Afghanistan will be necessary to ensure that the evaluation team selects methods that are suitable for use in conflict areas.

A brief description of each data source is provided below.

1. Review of documents

USAID will provide the evaluation team with a broad range of program and related documents before the team planning meeting. These documents will include but not limited to:

- **USAID Project Documentation**
 - USAID/Afghanistan Activity Approval Documents;
 - Original program descriptions;
 - Cooperative Agreements (including amendments);
 - Project correspondence;
 - Quarterly, annual, and mid-term project reports;
 - Monitoring and evaluation reports (project and third party);
 - Annual implementation plans;
 - Internal and third party assessments;
 - Copies of subcontracts;
- **USG Strategies/policies**
 - Gender strategy and impact assessment;
 - Capacity building strategies from USAID/Washington and other missions;
- **Donor capacity building documents (as available)**
 - Project descriptions;
 - Project reports, evaluations and assessments.

2. In-depth evaluation

An in-depth evaluation will be conducted on six selected ministries/offices. The offices have been selected in consultation with the technical teams and OPPD in order to provide a broad cross section of types of capacity building efforts, including both on and off budget activities, strong and weak project outcomes, and multiple sectors. The in-depth interviews and surveys will focus on the six selected ministries/offices. The selected list of ministries/offices would be: Ministry of Public Health (MoPH), Da Afghanistan Breshna Sherkat – the Afghan Electricity Unit (DABS), Ministry of Agriculture, Irrigation and Livestock including District Agriculture, Irrigation and Livestock offices (MAIL/DAIL), National Literacy Department, Parliament, and Afghan Urban Water Supply and Sanitation Company and its Strategic Business Units (SBUs). It is this subset of offices that the majority of the time and efforts will be focused during the evaluation.

- **In-depth interviews**

The evaluation team will conduct targeted in-depth interviews with key stakeholders, including GIRoA partners. The evaluation team will develop a structured interview guide that will be used to conduct the interviews. Interviews will be loosely structured, following the list of questions in the guide. The interviewer will probe for additional information related to each question, and document responses. Interviews will be conducted through face-to-face contact or by telephone as is necessary, which could be determined by time, space, or the security situation. Whenever possible, the interviews will be conducted face-to-face. Respondents to the interviews will be identified by the contractor and USAID. A list of potential respondents will be developed prior to the start of the evaluation process. Respondents will include USAID/Afghanistan staff; USAID's implementing partners; staff of selected subcontractors; USAID or military field personnel; staff of government institutions and systems receiving capacity building assistance; staff from other donors implementing capacity building activities; and a cross-section of local beneficiaries as the security situation permits.

- **Survey**

A survey will be conducted on a targeted sample of participants from USAID's capacity building programs, their supervisors and a control group of those who have not participated in any USAID capacity building activities. The survey will be conducted using a structure questionnaire of closed-ended and some open-ended questions. Respondents will be selected from lists of capacity building participants provided from the technical offices and will include those who

participated in a variety of capacity building activities, with sufficient representation from female participants. Every effort should be made to include participants who still work for the government and those who may have left government employment. The survey will cover questions on the perceived need for capacity building, the perceived value of provided capacity building activities, impact of provided management systems, existence of skills sharing from those who have participated in capacity building activities, impact of training on job performance, promotions as a result of training, satisfactions with the training etc.

VI. TEAM COMPOSITION

The team will be comprised of 1-3 US consultants and at 1-3 Afghans specialized in areas such as public management/administration and workforce development/capacity building. One high-level expatriate with at least ten years of experience in international development, including relevant facilitator/consensus-building skills/stakeholder analysis, is required. The team will also include one or two qualified U.S. technical advisor to assist the team and draft the recommendations and draft the revised design, one focused on capacity building and one on evaluation. The involvement of local experts throughout the process from conceptualization to completion is key to success. At least one of the expatriate team members must have prior experience working in Afghanistan.

- **Team Leader:** Over ten years experience in leading teams to complete evaluations of programs and capacity building projects. Experience in conflict or post-conflict countries desired. Strong analytical, communication and writing skills. Advanced degree required.
- **Technical Specialist(s) (Capacity Building):** At least seven years of experience working with donor funded capacity building projects in developing countries. Experience must include post conflict countries. Masters degree required. Good knowledge of the context and trends in the reforming and development of Afghanistan's government institutions. Strong analytical, communication and writing skills. Ability to work independently and as a team player. Recommended to have one American and one Afghan in these roles.
- **Technical Specialist(s) (Monitoring and Evaluation):** At least seven years of experience in monitoring and evaluation with development projects in developing countries. Experience in conflict or post-conflict countries desired. Strong analytical, communication and writing skills. Ability to work independently and as a team player. Recommended to have one American and one Afghan in these roles.
- **Local Consultant:** The local consultant should have 5-10 years experience in capacity building or evaluation. The local consultant will also serve as the evaluation team's logistic point of contact in Afghanistan. Ability to work independently and as a team player.

Due to the potential for conflict of interest, the evaluation team may not consist of any individuals who are current or former employees of any of the implementing partners of current USAID capacity building projects.

VII. PERIOD OF PERFORMANCE / LEVEL OF EFFORT

The review and analysis should take place over a period of 50 working days, all except for two days of consultations in Washington of which will be spent in Afghanistan. Each team member will provide approximately 50 days of level of effort.

The Mission authorizes a six day work week for this activity.

Task/Deliverable	Team Leader	Technical Specialists (x4)	Local Consultant
1. Review background documents	6 days	24 days	6 days
2. Preparation of Work Plan and Methodology Plan	4 days	16 days	-
3. Travel to/from country (for int'l consultants)	4 days RT	8 days RT	-
4. Team planning meeting; meetings w/USAID	3 days	12 days	3 days
5. Information and data collection. Includes interviews with key informants, surveys and site visits.	20 days	80 days	20 days
6. Discussion, analysis, briefings, and draft evaluation report	8 days	32 days	8 days
7. USAID completes draft review (14 days)	-	-	-
8. Evaluation team reviews and revises final report	5 days	20 days	5 days
9. Delivery of final report	-	-	-
<i># days Level of Effort</i>	50 days	192 days	42 days
<i>Total # days Level of Effort</i>	284days		

VIII. DELIVERABLES

- Evaluation Work Plan:** Covering (a) work plan to be approved by USAID/Afghanistan prior to arrival in Afghanistan. The plan will include the overall design strategy for the evaluation; (b) a list of the team members, and which one will serve as the team leader and primary contact (an e-mail and phone contact for the team leader should be provided); and (c) the team's schedule for the evaluation. Submitted with five days of arrival in country for COTR approval.
- Methodology Plan:** A written methodology plan will be prepared and submitted to USAID/Afghanistan within one week of arrival in country. The plan will include the data

collection plan and the draft survey or checklist. The methodology plan will be submitted to the evaluation COTR for approval no later than the seventh day of work.

- **Initial Briefing:** Hold an initial briefing on strategy and methodology prior to fieldwork. Discuss lists of potential interviewees and sites to visit.
- **Draft Evaluation Report:** Consistent with guidance provided in section below. Submitted within six to eight days after analysis of data and prior to departure.
- **Oral & PowerPoint Presentation/Briefing:** Present key findings and recommendations in separate meetings with USAID. Conducted at least five days prior to departure.
- **Final Evaluation Report:** Incorporate final comments from USAID OPPD and management. Final report submitted to the OPPD one day prior to team's departure from Kabul.

Report requirements

- **Length of the report:** Not to exceed 35 pages in English, excluding annexes, in Times New Roman 12 point, single space, consistent with USAID branding policy.
- **Timeline:** The draft evaluation report should be submitted to USAID within six to eight days after analysis of data and prior to departure from Afghanistan.
- **Format:** The report should following standard reporting format and branding guidelines, and include clear and concise analysis and recommendations sections. The final report must be submitted electronically.
- **Content:** The report will address each of the evaluation questions identified in the SOW and any other factors the team considers to have a bearing on the objectives of the evaluation. Any such factors can be included in the report only after consultation with USAID.
 - Executive Summary
 - Table of contents
 - Introduction
 - Background
 - Methodology
 - Findings
 - Summary of Case Studies
 - Lessons Learned
 - Conclusions
 - Recommendations
 - References
 - Annexes

Appendix B: Methodology & Survey Questions

Capacity Development Scope of Work Proposed Methodology: Capacity Development Assessment

I. Introduction. The Team will use a mixed methods approach to carry out the Capacity Building Assessment, using both quantitative and qualitative data collection approaches. The approach will be fully participatory, including Afghan members of the Assessment Team, and will work in a participatory way with the institutions being analyzed. For qualitative interviews, the Team will utilize the USAID's standard approach for gathering assessment data, starting with Findings, then proceeding to Conclusions, and then moving on to Lessons Learned and Recommendations. Findings are simple statements of fact. Conclusions will be derived from stated findings. Recommendations and Lessons Learned will evolve from Conclusions. All work is subject to time available and appropriate security concerns.

II. In Depth Analysis of Six Institutions, (including the Ministries of Health and Agriculture, the National Literacy Department of the Ministry of Education, the two public utilities for power (DABS) and water and sanitation, (AUWSSC) and the national Parliament)

To analyze the six core Afghan institutions, the Team will utilize a five step process:

1. Define the Organizational Context. This will involve collecting basic parameters for each organization, to provide a general profile of its shape and activities. This will include answers to questions like:

- How big is the organization?
- How many offices/departments does it have?
- What does its org chart look like?
- Does it have branch offices? If so how many? Where? How big?
- Did other donors contribute to Capacity Building? Etc.

2. Analyze the Organization's Mission, Mandate, & Vision

The Team will review program documents and conduct interviews to clarify each Institution's Mission, Mandate, and Vision. It will explore whether there seems to be consensus about these items. It will also explore the level of political will in various offices within the organization to support capacity building efforts.

3. Utilize the Draft Survey Instrument for qualitative interviews

Per the Scope of Work, the requirement for closed-end quantitative questions will be met through the Rack and Stack process. (See Item III, below) The methodology for addressing open-ended questions is described below.

A draft Survey Instrument addressing selected topics for analysis is given in Attachment # 1. The selected topics will be pursued in appropriate depth by Team members (usually including one expatriate and one Afghan) through participatory interviews with key informants. Questions pursued, and the depth to which the Team will drill down under each selected topic will depend upon the knowledge, background, levels of expertise and responsibilities of individuals being interviewed. Information from various interviews will then be cross checked for consistency and probed as necessary, and eventually the interview data will be consolidated for each institution. Interviews with key informants will generally proceed out in concentric circles, beginning with USAID Program and Technical Staff, then proceeding to USAID funded contractor staff working with capacity building programs, then going to Ministry staff, and then going to specific individuals who have received capacity building training. Given available time, some interviews will be conducted with other stakeholders, including those who did not receive training. Attention will be devoted to the gender balance between men and women, including those who may (or may not) have been trained.

4. Prepare Mini Case Studies for 6 institutions

Based on a review of the available program documentation plus extensive interviews with key informants, the Team will generate six mini-case studies. Much of the data that goes into the case studies will come from interviews with key informants, following the topics described in Attachment # 1.

5. Generate consolidated information for all six case studies.

Following the preparation of six individual case studies, the Team will roll this information up into one or more summary tables, with key Findings and Conclusions. A narrative section will describe similarities and differences between the various capacity development initiatives focusing around the six core institutions.

III. Cross Capacity Development

Based on the Scope of Work, the Team will generate a matrix for up to 19 projects or programs that will be included within the 'rack and stack' component of the assessment. Data for this matrix will be collected from a review of relevant program documents. When possible, this data will be validated by interviews with the relevant COTR and/or Chiefs of Party or other knowledgeable project staff who may still be in country.

IV. Generate Lessons Learned and Assessment Recommendations

Based on the Findings and Conclusions from the mini-case studies, and data accumulated from the ‘Rack and Stack exercise,’ the Team will generate Lessons Learned and Recommendations for the Report.

Attachment 1

Draft Survey Instrument: Capacity Building Assessment

Team members will use the following general topics to carry out interviews of informants working with each of the six core institutions, including the Ministries of Agriculture and Health, the National Literacy Department of the Ministry of Education, the two Afghan public utilities for power (DABS) and water and sanitation (AUWSSC), and the National Parliament.

Topic Issues

- 1. Management Systems:** What specific management systems has USAID introduced?
- 2. Project Costs:** What level of funding has USAID invested in capacity building? Describe specific investments.
- 3. Project assessment and design:** What project assessment(s) and/or design efforts have been used to identify and address other (non-capacity building) factors that affect staff performance and reduce barriers to performance? Of these, what gender relevant issues may have served as a non-capacity building barrier?
- 4. Skill levels:** How were staff skill levels evaluated to determine where gaps existed and what types of training or capacity building was needed? Describe the criteria, methodology, approaches, and/or standards that were used for this evaluation. Did the skills assessment consider other donors’ capacity building activities?
- 5. Gender Activities:** Are gender activities accurately reflected in the PMP?
- 6. Improvement of Service Delivery:** How were capacity building activities expected to contribute to the technical ability of the institution to provide basic services at the sub-national level (province, district and municipality)? *[In the normal sense of the term ‘service delivery,’ this question may not prove relevant for Parliament.]*
- 7. Perceived Impact:** What are people’s perceptions of the impact on USAID capacity building activities?

- a. What are the perceived Impacts of capacity building efforts?
- b. What was the impact of any management systems provided?
- c. What was the impact of training on job performance, promotions as a result of training, satisfactions with the training etc?
- d. How do perceived impacts of USAID’s capacity building efforts compare to impacts from other donors’ projects?

8. Staff Retention: What is the percent of staff retention after training?

9. PMPs: Have Mission and project PMPs effectively captured the results of capacity building activities?

VII. Appendix C: Case Studies

A. Case Study: Afghan Urban Water Supply and Sanitation Corporation, (AUWSSC)

1. Background and Overview

The Client: The Afghan Urban Water Supply and Sewerage Corporation (AUWSSC) is a newly formed government owned corporation with a mission to supply urban residents with potable drinking water.⁵ Establishing AUWSSC was intended to commercialize and professionalize the oversight, coordination, and operation of Afghanistan’s municipal water utilities in 34 provincial capitals. AUWSSC now has approximately 1,061 staff, which reportedly includes 375 in Kabul Headquarters⁶ and 686 in Strategic Business Units (SBUs) and satellite water utilities.

Organizationally, AUWSSC Headquarters oversees six SBUs, which are public utilities in Afghanistan’s larger provincial capitals. The SBUs in turn also oversee smaller water utilities in the country’s remaining provincial capitals. In addition to overseeing Kabul’s municipal water system AUWSSC Headquarters has two main departments: one for Finance and Administration, and a second for Operations. AUWSSC’s annual Government budget is \$12 mil, given by donors through the Ministry of Finance to AUWSSC, but this money is entirely for capital costs. No money is available from the Central Government for operations, although AUWSSC receives some financial support from the Kabul SBU, and perhaps from Herat.

The Project: ICMA manages the **Commercialization of Afghanistan’s Water and Sanitation Activity (CAWSA) Project** through a Cooperative Agreement with USAID. CAWSA seeks to transform the SBUs in Mazar-i-Sharif, Jalalabad, Kandahar, and two smaller municipal water utilities in Gardez and Ghazni by converting them from bureaucratic government agencies to

⁵ It is expected eventually to deal with municipal sewerage issues sometime in the future.

⁶ Most of the AUWSSC staff in Kabul are assigned to the Kabul Strategic Business Unit (SBU) which provides water to Kabul City.

viable, efficient, self-sustaining commercial enterprises able to achieve significant Cost Recovery Ratios by 2011. The program seeks to strengthen the management capabilities of these SBUs and their satellite municipalities, and improve community access to water. The Project is working to stand up three of AUWSSC's six Strategic Business Units (SBUs). Through these three SBUs, CAWSA works with 6 satellite-water systems thereby building capacity in a total of 9 of Afghanistan's 34 provincial capitals, providing water to nearly 500,000 people. The Project commenced in Nov, 2008, and is scheduled to end in 2011. Its total budget is \$10.6 million. CAWSA estimates that more than 90% of the project's budget has been devoted to capacity building.

CAWSA Project staff consist of one long term expatriate, 8 person months of short term expatriate technical assistance, and 43 Afghans, of whom approximately 65% are embedded into three SBUs and the 6 smaller satellite utilities they assist. Fifteen CAWSA project staff work in Kabul, while approximately 28 Afghan professional staff and interns are embedded into SBUs. Project-funded Interns embedded into SBUs generally are trained as clerical and accounting support staff and meter reader/customer care representatives. The embedded meter reader/customer care staff generally are focused on revenue collection, customer service, customer awareness and communication rather than on training counterparts. Seven meter readers are women. The admin/clerical interns were hired to work with SBU staff and were trained to perform tasks they can continue when they become employees of the SBUs after the project is over.

2. Assessing CAWSA's Approach to Capacity Building

What specific capacity building skills has CAWSA introduced?

Findings: Specific capacity building skills have included planning, O & M, GPS, water testing, project design, commercialization, warehousing and inventory management, project prioritization, monitoring and evaluation, communications and coordination, presentations, events management, financial accounting, financial reporting, and events management. A substantial part of the Project's skill building effort has been handled through 28 embedded Afghan advisors, who provide on-the-job training to their counterparts, with additional technical assistance coming from Afghan project staff based in Kabul.

Conclusion: CAWSA has made substantial progress enhancing skills. Without CAWSA's capacity building, the SBUs would not have had the vision to break away from the traditional work style of an Afghan State Owned Enterprise, influenced by Soviet work culture. They would not have been able to make the leap from subsistence pay scales to understanding the correlation between customer service, customer payments, and reward for improved performance. This is a very significant transformation.

3. Assessing CAWSA's Approach to Management Systems

What management systems has CAWSA introduced? What management systems seem most effective? Why? Which have been least effective? Why?

Findings:

CAWSA procured 25 computers and 4 generators, and then worked with the SBUs to computerize their existing management and reporting systems. The Project kept the transition from paper to computers as simple as possible, so newly computerized forms used terms and procedures similar to the paper forms with which SBU staff were already familiar.

The CAWSA project has worked to standardize management practices, including M & E systems, warehousing systems, personnel systems, complaints, work order records, billing and collections, all MIS systems, and even calculations of performance bonuses.

CAWSA has improved reporting systems between SBUs and Kabul. CAWSA and AUWSSC have both used financial management as a major tool for integrating the three tiers of AUWSSC. The project has improved the cost revenue ratio at four municipal systems by an average of 103%. They are working to insure that revenue flows to SBUs will allow them to become fully sustainable by 2011. All SBUs now reportedly have compatible computerized financial management systems.

For financial management systems, Grant Thornton, (GT) an external audit company, recently advised AUWSSC that its financial statements are not auditable. GT plans to reconstruct the financial statements, and certify the 1389 expenditures of Kabul's SBU in early July. This will serve as a basis for releasing about \$1.6 million from a World Bank grant. CAWSA believes this will provide AUWSSC with much needed funds in order to jump start their operations. Auditors are also reviewing internal controls at the Kabul SBU, and this will be expanded to other SBUs. Thus, CAWSA believes that financial statements will become auditable for the first time.

AUWSSC's field operations are being reorganized. Currently AUWSSC has 6 SBUs, but it is exploring creating two new SBUs: Gardez and Ghazni, starting in FY 1391. Each new SBU, in turn would have two satellite municipalities. Further, other smaller municipal Water Supply Departments (WSDs) in other municipalities around the country would merge over time with SBUs or satellites.

CAWSA staff report that they took the initiative to meet frequently with the managers and technical specialists of the GIZ consulting team, as well as the CEO of AUWSSC, recognizing that commercial or operational improvements in the CAWSA SBUs and satellites would not be sustainable if they were not compatible with systems being implemented at all other SBUs and AUWSSC Headquarters. Today, CAWSA reports that all management systems and procedures across all SBUs are fully compatible and the Annual Financial Report to the CEO and Board of

Directors utilizes a uniform chart of accounts, key performance indicators, and standard balance sheet formats for all SBUs and satellites that were supported by USAID and GIZ during 1389.

While CAWSA reports that relations between the two donor-funded contractors are good, senior management of AUWSSC expressed concerns about higher levels of coordination needed between donors themselves. AUWSSC management said, “USAID does not have optimum coordination mechanisms in place for dealing with the Government.” Concern was also expressed that USAID needed a longer-term time horizon to deal with the challenge of capacity building programs.

CAWSA reports that the most successful management systems have involved (i) planning and strategic thinking; (ii) administrative and HR management systems; (iii) communication and coordination systems; and (iv) collection and billing management systems. They report that the collection and billing system has effectively identified problems, but the financial impact was slower than expected because of limited community cooperation.

Conclusion: CAWSA has introduced a range of management systems to improve SBU operations, and these systems have now been internalized by CAWSA’s SBUs. In doing capacity building, CAWSA’s strategy involved a systems approach, including (i) formal training, (ii) on-the-job training, (iii) the provision of equipment (computers and software), (iv) embedding staff at the Sub-National level, (v) plus study tours, etc. By focusing on the SBUs, CAWSA followed a decentralized capacity building strategy, while supporting centralized financial reporting, analysis, and the development of common management systems among all three SBUs, plus Ghazni and Gardez. Coordination with GIZ appears to be constructive, and the two donor-supported contractors work closely together promoting identical management systems in all SBUs. The key to CAWSA’s relative success in capacity building seems to come at least in part from the way they have combined the various pieces of their strategy together to form a more holistic approach.

4. Assessing Project Costs

How much has USAID invested in capacity building in AUWSSC? What do respondents say about the effectiveness of this investment(s)? How cost-effective were AUWSSC capacity building approaches?

Findings: Except for grant funding for infrastructure projects and incentives, which total about \$200,000 per SBU or \$800,000, approximately \$9.8 mil of CAWSA’s \$10.6 mil budget (> 90%) has been directed at capacity building. When CAWSA started, only one senior LT expatriate was assigned to the project, along with limited STTA. Initially, CAWSA management was concerned that expatriate consultants might not have a sufficiently strong enabling environment to work effectively. Thus no CAWSA STTA advisors were embedded in SBUs until 2011.

Conclusions: CAWSA made a decision to begin work with only one LT expatriate advisor and limited STTA, in order to scope out the terrain, and establish priorities for downstream actions.

Front-end loading too many expatriate consultants at the beginning of the project would not have been the best approach for doing capacity building with AUWSSC. Sustained, gradual improvements over an extended time period may produce more sustainable improvements in capacity. Further, because AUWSSC HQ does not have an operating budget and because its personnel capacity is limited, it will take time before HQ/Kabul can become fully operational.

5. Project Assessment and Design

Have project assessment(s) and/or design efforts addressed other factors that affect AUWSSC staff performance to remove barriers to performance.

Findings: CAWSA purchased low cost easy to maintain 2 and 3 wheel motorcycles for the SBUs and their satellite utilities. CAWSA also rehabilitated 3 SBU offices, and installed generators to allow for uninterrupted power, as well as installing computers, internet connections, etc. CAWSA also introduced an incentive program involving bonuses, and it also worked with other donors to leverage more than \$32 million in additional funding. (> 300% of project costs.)

Conclusions: These investments seem well targeted, and have contributed significantly to capacity building, by supporting an improved enabling environment for SBU staff, which helped to improve staff morale and performance. CAWSA's incentive program (bonuses) has also played a key role to enhance performance in SBUs.

6. Gender Considerations

Were gender issues a barrier to building capacity?

Findings: Women constitute about 25% of CAWSA project staff, and approximately 10% of the staff of AUWSSC. However CAWSA reports that the Project faced barriers in almost every SBU because of gender issues. One major issue, for example, was how to get into people's homes, where water meters often are located. In Afghan culture, men outside of a family are not allowed to enter a home if the man of the house is not present. To address such issues, the Project employed seven Afghan women as meter readers in Jalalabad and Mazar. The Project hired brother-sister teams, because they found it was not possible to hire women alone. These women initially began as meter readers, but now increasingly serve as customer care representatives, and are beginning to constitute a *de facto* female extension service as part of each SBU's social outreach program. The teams are working to increase awareness of water borne diseases.

Conclusions: Gender issues were a barrier to building capacity. Female meter readers can get into homes in ways that male meter readers could not. This small initiative may serve as a model for ways to improve outreach into people's homes.

7. Assessing Skill Levels

How were SBU staff skill levels evaluated to determine where gaps existed and what types of training or capacity building was needed. What standards were used for this evaluation? Were the evaluation efforts handled appropriately? Were capacity building standards consistent across USAID projects working with AUWSSC? Did the skills assessment consider other donors' capacity building activities?

Findings: CAWSA conducted a training needs assessment of SBU staff during the initial days of the program, primarily through structured interviews. This needs assessment approach was applied to all CAWSA supported SBUs. GIZ is also using CAWSA's capacity building model, since they appreciate the importance of uniform procedures throughout AUWSSC.

Conclusion: For the most part, CAWSA's administrative; management, financial, and technical indicators were used as standards to evaluate SBU staff capacity. Progress against indicators reflects CAWSA's capacity building efforts.

8. Improving the Delivery of Services

How have CAWSA's capacity building activities contributed to the technical ability of SBUs to provide improved services to customers?

Findings: The SBUs have expanded the number of household connections by more than 41,000, improved the quantity and quality of the water they deliver, increased the number of hours per day of service, and reduced the cost per cubic meter of delivered water. The SBUs have made modest progress in installing household meters, which result in reduced consumption per household, as well as allowing the public utility to track leaks in the old pipes. SBUs are moving to chlorinate water, making it safer to drink, reducing water borne infectious diseases and childhood mortality. Through the women meter readers, the SBUs are adding health education outreach messaging to their program.

Conclusions: Capacity building activities have contributed substantially to the technical ability of the SBUs to provide enhanced services to municipal customers, as well as to a change of corporate culture in the new organization

9. Perceived Impact of Capacity Building Efforts

What are stakeholders' perceptions of CAWSA's impact on capacity building? How do the perceived impact of USAID's capacity building efforts compare to other donors'?

Findings: CAWSA has not done any formal stakeholder surveys, nor has AUWSSC. However, there is substantial anecdotal evidence of CAWSA's impact. More than 41,000 new customers have been added to four municipal water systems; while there have been improvements in the quantity and quality of water delivered to people's homes. Cost of water production is down,⁷

⁷ In Mazar, the cost of water production was reduced by 36% from 11 afs per cubic meter to 7. In Jalalalabad, the improvement was 31%; in Ghazni, the improvement was 41%, and in Gardez the improvement was 20%.

while cost recovery has improved. Past due bills are being paid, and there are some women meter readers, who have initiated an outreach program particularly targeting women. There are reports that the corporate culture of AUWSSC has changed, and also reports that SBU staff are more proactive. CAWSA project staff describe improved staff morale in SBUs, coupled with improved technical quality.

Conclusions: The impact of USAID’s capacity building activities at AUWSSC has been profound, and this perception is widely shared among stakeholders.

10. Staff Retention

What percent of staff that have been trained remain employed at SBUs? What factors affect the retention of staff?

Finding: Of approximately 200 SBU and satellite employees, the staff retention rate has been virtually 100%. Of the CAWSA Afghan staff, during the project life, approximately 80% have stayed during the life of the Project. CAWSA estimates that perhaps 70% of CAWSA project employees will probably stay on as permanent employees of AUWSSC, or at an SBU at the end of the project.

Conclusions: Capacity building efforts including an incentive program, a better work environment, and improved management systems have all contributed to staff retention. The current employees of the SBUs will stay where they are because they essentially don’t have other, better options. Of the CAWSA staff, CAWSA management estimated that most interns and women meter readers will remain with the SBU where they currently are embedded. Most Afghan professional staff working with CAWSA have other opportunities, however, and they will probably not stay.

11. PMPs & Gender Outcomes

Have Mission and project PMPs captured the results of capacity building activities. How are gender outcomes reflected in the PMP for AUWSSC

Finding: CAWSA reports female participation in training workshops and also female beneficiaries of increased SBU services. CAWSA also captures data on increased number of female staff at SBUs.

Conclusions: The PMP for CAWSA is generally capturing the results of capacity building activities. Gender activities are being appropriately reported.

12. Sustainability

How sustainable will the Project’s capacity building activities be after the completion of the project?

Findings: CAWSA staff believe that a significant percentage of the young Afghans embedded with the SBUs will remain after the completion of the project. They believe that the

computerized management systems will remain, along with the skills which have been passed on to SBU staff. They believe that for normal operations of the municipal water systems, this will continue and they believe that it will continue to improve after the end of the CAWSA project.

CAWSA staff report that a regulatory agency for water is essentially nonexistent, and they are concerned with the current tariff structure, which makes cost recovery a challenge. The CEO of AUWSSC reports that it costs approximately 18 to 20 afs per cubic meter to produce and deliver water (not counting depreciation) but the government's approved tariff for water is 6 afs per cubic meter. With depreciation, real cost recovery is 27 afs per cubic meter. He further reports that the Government requires AUWSSC to pay the corporate rate for electricity, which is about 10 afs/ kilowatt hour. The residential rate is about half of this. He says at a corporate level, that without a change in the tariff structure or a reduction of the electric rates, it will be very hard for AUWSSC to be sustainable.

They question whether SBUs and smaller municipal systems will have sufficient cash flow of cash reserves to handle significant expansion of the water systems. They state that if private investors come into the water markets, they might be able to help make up the difference.

Conclusions: The SBUs and the new parent authority in Kabul are probably sustainable indefinitely after CAWSA ends at some level, and the improvements that have been introduced will continue to be used and internalized into day-to-day operating systems. However, the municipal water systems may degrade over time if there are pressures to continue to expand coverage, because there may be problems with generating sufficient cash to cover new capital costs. In terms of true sustainability, the Government is faced with a Catch 22 situation. They find it almost impossible politically to raise the tariff rates to the real production and delivery costs, in part because many Afghans view water as a free good. The Quran repeatedly says, "Water is life." At the same time, the Government is trying to commercialize and corporatize the operations of DABS, the electricity utility. The government simply doesn't have the resources to subsidize AUWSSC's usage of electric power. What they give to one public utility in the form of a subsidy they take away from another.

B. Case Study: National Literacy Department (NLD) / Ministry of Education (MoE)

1. Background and Overview

NLD / MoE

The Afghan population's right to education and the responsibility of the Government of Afghanistan to improve the economic well being of its population is upheld in the national constitution. Yet, an estimated 11 million Afghan citizens still require basic literacy education. Of those aged 15-24, which is the group with the highest level of education, approximately only

34 percent are literate¹. Of this population, approximately only half of the men and 18 percent of the women are literate. There is great disparity between rural and urban literacy rates, as well as between provinces.² Most Afghans living in rural communities, and many in urban areas, are surviving at a subsistence level, or lower, in informal settlements. The Ministry of Education (MoE) is committed to facilitating “the development of a vibrant human capital by providing equal access to quality education for all and enabling [its] people to participate and contribute productively to the development and economic growth of our country.”³ The Ministry’s initiatives in human capital development are indicative of the Government’s constitutional duty to eradicate illiteracy, to improve people’s livelihoods, and to raise its citizens’ overall standard of living.

The Ministry of Education’s strategy for national literacy is outlined in the National Education Strategic Plan for 1385-1389. The expected results of this strategic plan include the establishment of a National Literacy Center to guide literacy education initiatives; an increase in the number of literacy facilitators from the current 4,000 to 10,000 by 1387, and an increase in the literacy of 1.8 million adults by 1389 through participation in literacy education programs. An initiative of this scale requires a systematic national strategy, combining improved quality and an expansion of educational programs with outreach to traditionally underserved populations, including rural communities. The Ministry envisages the partnership and support of nongovernmental organizations, communities, and the private sector in this endeavor.

The Learning for Community Empowerment Program (LCEP-2) is viewed as the lead effort to establish and begin rollout of the community-based component of the new National Literacy Program (NLP). LCEP-2 is part of the overall, USAID strategy for basic education and one of several new interrelated programs in USAID’s five-year Afghan education portfolio. LCEP-2 will target 312,000 youth and adults in rural as well as urban communities in some twenty provinces, assuming the security environment is favorable. Moreover, it is envisaged that women will comprise 60 percent of the total program participants.

LCEP-2 will build the capacity of the Ministry of Education towards enabling individuals and their communities to develop functional literacy and numeracy, as well as to stimulate growth in their local economies, and to strengthen social and political capital. Community

Implementing Partner

In 2004 UN -HABITAT as the lead facilitating partner of National Solidarity Program (NSP) was engaged in community development planning with the newly established Community Development Councils (CDC’s) of Afghanistan. This ambitious document once completed sketched out how the Government of Afghanistan envisioned their communities to be within five years, with an emphasis on governance, infrastructure and capital works projects.

However several essential components of sustainable communities had not been addressed by the plan, including the need for literacy training and income generation. LCEP-1 was designed to address these shortfalls in collaboration with the Education Development Center (EDC) and was presented to USAID for approval. LCEP-1 was implemented between 2005 and 2007 covering five provinces (Farah, Kandahar, Parwan, Bamyan and Hirat) and in 190 communities of Afghanistan, encompassing both rural and urban areas.

LCEP-2 was conceived by UN-HABITAT, USAID and partner organizations in cooperation with key ministry officials based on important lessons learned from LCEP-1 in light of the emerging responsibilities of the government of Afghanistan in the literacy sector. LCEP-2 focuses on two priorities identified in the National Education Strategy Plan (1387-1392): the establishment of a The National Literacy Department to develop capacity within the Ministry of Education, and the rollout of a large-scale national educational initiative.

The LCEP-2 program of UN-HABITAT was launched on the 31st of January 2008 and will terminate in January 2013. LCEP-2 supports USAID Mission's Strategic Objective Seven: A Better Educated and Healthier Population, as well as the attainment of Intermediate Result (IR) Three that aims to support adults and youth with literacy and occupational skills. UN-HABITAT LCEP-2 additionally supports the USAID Mission's Strategic Objective Five: A Thriving Economy Led by the Private Sector.

UN-HABITAT LCEP-2's four main objectives are to:

Develop the institutional framework and strengthen the capacities of the Ministry of Education to develop and manage its National Literacy Program as a partnership between government and communities;

Develop the materials, pedagogy, and national system for providing community-based literacy and productive skills;

Develop a low-cost, scaled up model and begin the rollout of literacy and productive skills across Afghan communities; and

Enhance the impact of LCEP-2 by developing linkages with other literacy and productive skills program actors.

Each of these objectives is supported by a cascading list of subordinate activities and intended outputs. Funding for LCEP-2 primarily comes from USAID's Offices of Social Sector Development and Economic Growth. The Ministry of Education, community contributions, and the World Bank provide additional resources. The World Bank is funding the National Skills Development Program [NSDP] to provide technical support for LCEP-2 in the areas of productive skills and Business Development Skills (BDS).

Project

The National Literacy Department serves as the Ministry of Education's focal point for all LCEP-2 related programming. In addition to holding responsibility for teacher training and on-going support to this educational initiative, the National Literacy Department helps to formulate policy, develops standards for teacher credentialing and learner assessment, conducts research on literacy initiatives, and supports the Ministry of Education's overall advocacy efforts.

Under LCEP-2 the National Literacy Department offers a community economic empowerment and educational program that integrates literacy and numeracy education, productive skills training, and the establishment of Self Help Learning Groups for savings and investment in livelihood activities and micro-enterprise.

The educational activities under LCEP-2 have targeted pre-literate youth and adults in an estimated 2,200 rural and 300 urban communities in 20 provinces of Afghanistan, many of which have been profoundly affected by years of conflict and political instability.⁸ The program is designed to strengthen community governance, provide literacy and numeracy education up to a fourth grade equivalency, initiate community savings and investment activities, introduce micro-enterprise opportunities, and provide business skills development training.

The LCEP-2 program is offered for two years in each community. The first three months of the program is the community mobilization and training phase. LCEP-2 assists learning groups to establish themselves as self-help savings and learning groups from the onset of the program. Educational activities and support for the self-help savings and learning groups takes place over an 18-month period. UN-HABITAT and the National Solidarity Program's Community Development Councils provide an additional three months of support for LCEP-2 participants after the 18-month educational program has concluded. Altogether 250,000 men (40%) and women (60%) in the 20 provinces will complete this program.

UN-HABITAT LCEP-2 program team members have worked closely with the National Literacy Department in the design and implementation of the program. The UN-HABITAT LCEP-2 team's input and staffing will gradually phase out as government counterparts assume full responsibility for the planning and management of all activities.

⁸These 20 provinces include 10 provinces currently served by UN-HABITAT's National Solidarity Program and Promotion of Peace in Afghanistan through Consolidation of Communities Solidarity (Bamyan, Balkh, Farah, Herat, Kabul, Kandahar, Kapisa, Nangarhar, Panjshir, Parwan) as well as Baghlan, Ghor, Helmand, Jawzjan, Kunduz, Laghman, Logar, Paktiya, Saripul, and Takhar.

Project Goals and Outputs

LCEP-2 has the following primary goal:

To improve livelihoods in targeted communities through activities in integrated development-focused literacy, numeracy, life skills learning and economic empowerment.

General program outputs emphasize systems and materials development and program implementation. The specific outputs of LCEP-2 are as follows:

- **Government support structures that are established**, trained, and consolidated (the Ministry of Education, Ministry of Rural Rehabilitation and Development, and the Ministry of Labour, Social Affairs, Martyrs, and Disabled) at the district, provincial and national levels for the support, management and oversight of LCEP-2 implementation;
- **A sustainable nation-wide training system that exists** to deliver and support community-based and managed, integrated life-long learning, literacy and productive skills training;
- **Materials** that respond to needs identified by rural communities (e.g. finance; business; productive skills; governance; and community leadership); and
- **Development and consolidation of community capacity** through men's and women's self help savings groups, Community Development Councils, Community Learning Committees, Youth Committees, and Community Banks.

Primarily Afghan officers in Kabul and in the 20 provinces manage the program. In 2,600 communities approximately 400 male and female District Trainers supported the rollout of the program. Twenty Provincial Managers, 20 Provincial Coordinators, 40 Provincial Trainers (20 of whom were female), 40 Productive Skills Assistants (20 of whom were female), 20 Reporting Assistants, and 20 Administrative and Finance Assistants provided technical and managerial support for the implementation of LCEP-2 at sub-national level.

In Kabul the Technical Support Unit for Literacy (TSUL) comprising the Chief of Party for UN-HABITAT LCEP-2, Deputy Chief of Party, Institutional Development Advisor (an international staff member) and Two Senior Afghan officers, Materials Development Advisor (an international staff member), the Senior Afghan Officer, and 16 Lead Trainers provided technical and capacity building assistance for the National Literacy Department and LCEP-2 personnel at the provincial, district and village levels.

2. Assessing Capacity Building Skills

What specific capacity building skills has the Contractor introduced to LCEP-2?

Capacity building within LCEP-2 occurs at the central, provincial, district and village levels:

Central Level: UN-HABITAT, the contractor, has worked closely with national staff to build institutional capacity in various areas such as materials development and training management, as well as assessing learners. Capacity building for the Materials and Training Management staff consisted of one-on-one capacity building, as well as team-focused capacity building.

One-on-One Capacity Building: At the central level the international advisors have worked closely with their LCEP-2 counterparts such as the Materials Development and Training Coordinator, and personnel of the M&E Office. The job-sharing and capacity building plans have been thoroughly shared with the Chief of Party as well as the Director of the National Literacy Center so that all team members can be apprised of progress, and take quick action when goals are not being realized on time.

Management Team for Materials Development and Training: The Materials Development and Training Management Team have regularly met to establish a joint strategy regarding:

1. The scope and sequence of the curriculum;
2. The training approach and objectives for each phase of the curriculum;
3. Evolving staffing needs, materials and training delivery timetables; and
4. Evolving feedback from the field regarding each function

Other skills development exercises were designed and implemented that focused on the capacity at the National Literacy Department and its staff:

A. Learner Assessment

This system provides an overview of the LCEP-2 program and its learner assessment strategy. The document has three sections. The first provides an overview of the aims of LCEP-2. Section two is the program description. The third section outlines the learner assessment system used by LCEP-2 that is designed to assess the reading, writing and computation skills of our 151,000 learners.

The Learner Assessment informs several processes a) how our learners have progressed b) what are the gaps and c) where the gaps are and d) how to address them. It's a user-friendly tool that the Literacy Facilitators are trained to administer in our expansive network of community-based learning centers.

B. Professional Development Plan

The Professional Development Plan (PDP) concerns the performance of the National Literacy Department and its staff members. This document outlines the activities and changes planned over three years with a view to enhance the capacity of the National Literacy Department. As a national public agency the National Literacy Department is mandated to deliver leadership and management support for all literacy initiatives in Afghanistan. It's our responsibility to provide

them with the technical support and strategic guidance so that they can meet their commitments to the people of Afghanistan

C. Minimum Program Standards

The LCEP-2 team has developed the Minimum Programs Standards for the National Literacy Centre and for the National Literacy Centre to follow. The system describes standards of an effective literacy program that should be used by the National Literacy Centre while reviewing its own program, as well as the programs of others. The Minimum Program Standards will help the National Literacy Centre to provide leadership in the field of literacy and maintain quality of services.

D. Institutional Analyses of the Literacy Department

UN-HABITAT under LCEP-2's launch in 2008 has been working to increase the capacity of the National Literacy Department by working with counterparts on various crucial activities. However UN-HABITAT LCEP-2 team members believed that for more effective support an institutional analysis of the National Literacy Department was necessary. Such a study would be extremely helpful for donor agencies, agencies supporting literacy programming including UN-HABITAT, and most importantly the National Literacy Department itself to review its strengths and to address weaknesses.

The institutional analysis is designed to assist all relevant agencies to develop more effective programs of capacity building for the National Literacy Department. The analysis has included an examination of the structure (*Taskhil*) of the National Literacy Department from the district level right to Kabul. An important task is to compare the written mandate of the National Literacy Department with its actual service delivery, addressing emerging challenges and proposing possible solutions. The institutional analysis is currently being reviewed by the MoE team of advisors as a source document to support a complete hand-over of responsibilities from UN-HABITAT to the National Literacy Department.

E. Teacher Credentialing

The certification of literacy teachers is another component that the UN-HABITAT LCEP-2 team has made headway working closely with its government counterparts. For the certification of literacy teachers several key documents have been prepared, including terms of reference for Village Facilitators, Village Facilitators selection criteria, Village Facilitators standards, Village Facilitators teaching guidelines, and certification guidelines. All of this has been organized in a National Teacher Certification (Credentialing) System that has been accepted, approved and communicated to all literacy partners across Afghanistan as the standard to follow.

F. Learner Certification System

A working group comprising relevant staff members from the National Literacy Department and UN-HABITAT LCEP-2 has developed the Learner Certification System. The system is intended

for the National Literacy Department to standardize certification of adult learners enrolled in courses offered by various literacy agencies of Afghanistan. The Learner Certification System explains procedures for registering learners into the National Literacy Department database, reporting to the National Literacy Center on the progress of learners, and certifying learners at different grade levels equivalent to the grades of formal education established across Afghanistan.

G. Teacher Standards and Teacher Training Guideline

A working group comprising members of several literacy-engaged agencies including the National Literacy Department and UN-HABITAT LCEP-2 developed this guide. The Teacher Standards and Teacher Training Guideline describe various aspects of working with adult pre-literates including the evolution of adult literacy as an organized educational activity, facilitation methodologies, and evaluation of learner performances. The guide is intended to be used for the training of literacy facilitators working with different agencies in Afghanistan. The standards are now nationally approved and accepted by the National Literacy Department.

H. Grade Four Equivalency

The UN-HABITAT LCEP-2 team working with government counterparts verified curriculum and materials for grade four of formal education in the areas of reading, writing and numeracy. The UN-HABITAT LCEP-2 team working with government counterparts then compared these materials with LCEP-2-created curriculum and materials to develop grade four equivalent competencies for the program. Curriculum and materials were revised and rewritten accordingly. The National Literacy Department reviewed these competencies and materials, and approved the LCEP-2 program as being equivalent to grade four. The whole exercise was accomplished with and for the National Literacy Department so that the NLD can develop and assist others to develop grade four equivalent courses on its own.

I. Building Gender Awareness and the Role of Afghan Women/Technical and Managerial Issues

Under the broad umbrella of gender strategy several key activities are part of raising gender awareness among our government counterparts. In three separate sessions a total of 60 National Literacy Department staff members were provided with orientation and training on the concept, meaning and application of gender prospects in the Afghan context, mainstreaming gender into existing and future programs, and identifying roles and responsibilities of Afghans in improving the situation.

The UN-HABITAT LCEP-2 team has also introduced a series of skills for other staff members with a focus on technical and managerial issues.

For managing and coordinating LCEP-2 project implementation at the provincial level and to ensure the smooth delivery of the program to our partners (including Learners, Village

Facilitators, District Trainers, CDC members and community leaders), our Provincial Coordinators received several capacity building training sessions at the launch of the program as well as on-the-job training throughout its implementation. The essential skills that were introduced to the Provincial Management Team (including Provincial Coordinators, Provincial Trainers and Productive Skill Assistants) included the following:

- Management and leadership skills
- Monitoring and supervision skills
- Coordination of program rollout at the provincial, district and community levels
- Communication and conflict resolution skills
- Community mobilization
- Training coordination skills
- Facility administration skills
- Security and risk assessment at the field level
- Budget administration and procurement
- Recruitment of staff and resources coordination
- Preparation of weekly and monthly plans for staff and follow up

In addition, the Productive Skill Assistants received training on:

- Business Development Service (BDS)
- Mobilizing local resources for better income generation
- Running Self Help Learning Groups

3. Assessing Management Systems

What specific management systems has the contractor introduced to LCEP-2?

The management systems introduced under LCEP-2 are based on its approved PMP. The UN-HABITAT LCEP-2 team has, in line with the PMP and project rollout requirements, introduced the following systems:

The Project Management Team (PMT). The Project Management Team is aimed at reviewing the progress on critical issues of the previous week and addressing priorities for follow-up action. The Project Management Team serves as an important forum where emerging issues are discussed, therefore strengthening information sharing, collaboration, and coordination. The Project Management Team has introduced a reporting and planning tool that all team members must complete at the end of each week.

Monthly Review Meetings. Activities of the past four weeks, challenges to program implementation and other issues are carefully reviewed at this forum. In addition plans are viewed and adjusted as required. The Monthly Review Meeting is also an important documentation vehicle for annual reporting and review exercises. The Monthly Review Meeting involves provincial and field office personnel as well as Kabul-based personnel. Each field office

is required to submit a monthly narrative report, which informs the country- wide project report that is shared with government counterparts.

Quarterly Review Meetings (Quarterly Reports and Plans). Quarterly Review Meetings are crucially important for every project team but particularly for projects such as LCEP-2, which are large and complex in design. Several components of the project are reviewed at this forum, at which the UN-HABITAT team allocates adequate time to reflect on achievements and challenges of the current quarter.

Any activity that must be achieved in the current year is divided into four quarters for review, each of which helps the team to identify shortfalls and how they should be addressed. The team also reviews the volume of work for each activity during the current quarter. This exercise involves provincial and field office as well as Kabul-based UN-HABITAT personnel. Each field office is required to submit a monthly narrative report which feeds into the country wide project report.

Midterm Reviews and Meetings. UN-HABITAT LCEP-2 has carried out a successful process of midterm reviews of its projects for the past decade. These are conducted in a retreat fashion at which field and Kabul-based staff members convene for three to five days in a secure location to discuss achievements, successes, opportunities, threats and solutions. The midterm reviews also provide a chance for a face-to-face engagement and discussion on a variety of issues.

Annual Reports and Work Plans. As with every other project the UN-HABITAT LCEP-2 team members dedicate considerable time to the research and preparation of annual reports and work plans. Annual work plans are general in nature and deal with the larger picture of LCEP-2 programming.

Inter-Province Meetings/Exchange Visits. UN-HABITAT has embarked and capitalized on a process of internal exchange visits among the different provinces where LCEP-2 programming is underway. They have discovered this to be one of the most efficient, low cost and effective ways of sharing experiences from different provinces and expanding best practices to other parts of the country.

4. Assessing Project Costs

*What level of USAID funding has the contractor invested in capacity building in LCEP-2?
Describe specific investments*

Village Facilitators (Literacy Teachers). Literacy teachers under LCEP-2 are in the frontline of the program and are considered the main agents of change for communities across Afghanistan. Teaching Literacy, numeracy, community savings and health issues is only part of the reason why they are hired from the same village: the broader goal is to ensure that a culture of educational activities is spread across the community as the Village Facilitators continue to receive training and stay in the same community. From the start of the program the Village

Facilitators have been paid a total of US\$ 8,149,382. These funds are invariably invested in their own communities, helping to kick-start the local economy. Approximately 58% of the Village Facilitators are women, each receiving an equivalent of US\$ 100 in Afghani per month.

Other direct investments in training have included an exposure visit to Nepal in 2009 in which several officers of the UN-HABITAT LCEP-2 team (three of whom were women) and their government counterparts participated and visited the programs of literacy, microfinance and skills training at leading agencies and NGO's in Nepal. The visit had a substantial impact on return as all of the National Literacy Department officials who travelled to Nepal engaged in different activities and worked hard for change within their own institution.

In addition local exposure visits conducted nation-wide have had a significant impact on how they learn from each other, and increased the overall quality of our programming. The total cost for both categories of visits was US\$ 187,999.

Training. A second major investment is in training for project staff, government staff, literacy facilitators and Self-Help Group members. LCEP-2 has trained a substantial number of Afghan staff engaged in different activities. The total cost for this line item is US\$ 837,404. The total amount for all the capacity building efforts with respect to specific budget line items under LCEP-2 is US\$ 9,263,965.

5. Project Assessment and Design

What project assessment(s) and/or design efforts have been used to identify and address other factors that affect LCEP II staff performance and help to remove barriers to performance?

What gender relevant issues may have served as barriers to capacity building?

Since the Mid Term Evaluation in October 2010 UN-HABITAT has taken a series of steps to address and improve staff performance, both in Kabul and in the 20 provinces where they have responsibility for the implementation of LCEP-2.

The Mid Term Evaluation in its own right served as a crucial project assessment tool for LCEP-2, and was catalytic in its impact, affecting not only *what* they were delivering at the community level, but also *how* they delivered. The authors of the Mid-Term Evaluation revealed shortcomings in the implementation of various aspects of LCEP-2 that threatened the overall success of the entire program. These included not only technical components (the lack of learner and Village Facilitator assessments to provide a baseline for planning and fresh interventions, for example) but also issues relating to the heavy administrative burdens imposed by UN-HABITAT that have substantially delayed (and even crippled) program delivery.

They identified ten 'action points' from the Mid Term Evaluation that in our opinion had the most detrimental impact on LCEP-2 programming (and management) at the community level. Several of these were related to staff performance, such as 'significant delays in program delivery and materials production', and 'elaborate UN security protocols'. On a priority basis

they took steps to address each of the ten action points, including placing all national staff on private service contracts in order to free them of complex and arcane UN travel restrictions that were preventing them from operating in the provinces where our support is most needed. They placed greater emphasis on communicating with our partners at the community level, asking that they anticipate any shortfalls in supplies or training materials ahead of time so that gaps in services could be prevented. They encouraged our Kabul-based staff to undertake missions to any provinces where a reasonable level of security could be assured in order to learn about (and anticipate) any bottlenecks in program delivery, and to find ways that they could better support our partners at the community level.

With respect to project design it was clear from the Mid Term Evaluation that the program was too complicated for the Afghan context, particularly in light of the security issues that were affecting virtually every aspect of LCEP-2. This too was having an impact on our staff performance. From November 2010 they began a total rethink of our productive skills strategy, with a new ‘focus on the do-able’ recognizing that attempting to train our learners for 14 different trades was far too ambitious. They shifted our emphasis away from institution based vocational training to developing apprenticeship opportunities for our young learners, recognizing that the informal sector held out the best potential for employment opportunities for both women and men. This allowed our staff to concentrate their efforts on specific tasks that could directly contribute to larger numbers of high-quality apprenticeship placements. To date they have over 15,000 learners enrolled in apprenticeships, with more opportunities being identified.

Every component of LCEP-2 programming is in some way affected by the secondary status of women in Afghan society, and the discrimination that they face as a part of daily life. Capacity building is affected by restrictions on the mobility of women in society, and the attitudes of male decision makers with respect to what activities are appropriate for women to engage in. It’s still very rare to see an Afghan woman driving a car anywhere in the country, for example. The choice of trades that are considered appropriate and acceptable for women is also very limited. All our Self Help Groups and learning centers had to be gender-specific, and our trainers could only interact with learners of the same gender.

At the same time LCEP’s legacy will include tens of thousands of women who have acquired a level of literacy skills that liberates them from the tyranny of their households, and provides a modicum of independence from the boys and men who define their worlds. More than 60% of the 151,000 LCEP-2 learners to date have been women, and our staff have regularly witnessed and reported that women invariably run the most successful of our 10,455 Self Help Groups. They noted that through their literacy classes women gained newfound confidence in themselves, and improved their status in their communities, and in their families. Some female LCEP-2 learners put themselves up for election to their local Community Development Council, and were successful.

They will continue to focus on capacity building of various community institutions, such as the Community Banks and Community Development Councils, through the preparation of women who armed with their literacy and numeracy skills are willing and able to play a greater and more visible role in Afghan society.

6. Assessing Skill Levels

How did the Contractor evaluate LCEP-2 staff skill levels to determine where gaps existed and what types of training or capacity building was needed?

Part of their capacity building efforts is the regular performance appraisal of LCEP-2 staff members to identify where the gaps are in the performance of each individual staff. UN-HABITAT LCEP-2 has developed and used the Key Performance Appraisal (KPA) as its primary tool for this purpose. The Key Performance Appraisal has been prepared in two parts, identified as A and B. Once the two parts are completed the appraiser interviews the staff member.

The staff member needs to complete Part A of the Key Performance Appraisal before the interview and returns it to the appraiser by a date agreed upon.

Part A begins with the following discussion points:

- Has the past year been good/bad/satisfactory or otherwise for you, and why?
- What do you consider to be your most important achievements of the past year?
- What do you like and dislike about working for this organization?
- What elements of your job do you find most difficult?
- What elements of your job interest you the most, and least?
- What do you consider to be your most important tasks in the next year?
- What action could be taken to improve your performance in your current position by you, and your boss?
- What kind of work or job would you like to be doing in one/two/five year's time?
- What sort of training/experience would benefit you in the next year?

The staff member is to list the Key Performance Areas (KPAs) she or he set out to achieve every six months with the measures or standards agreed upon. The staff member then scores his or her performance against each objective (1-3 = poor, 4-6 = satisfactory, 7-9 = good, 10 = excellent):

“In light of the employee’s current capabilities, his/her performance against past objectives, and future personal growth and/or job aspirations, what activities and tasks would he / she like to focus on during the next six months.”

Once the staff member completes Part A, the appraiser then completes Part B of the form. The appraiser then sets the time with the employee for an interview. After the interview the appraiser and staff member discuss the skills gaps and decide what they can do address them.

7. Improving the Delivery of Services

How were capacity building activities expected to contribute to the technical ability of LCEP-2 to provide basic services at the sub-national level?

When the program rollout started at the field level all recruited staff (and the Senior Provincial Management Team) received an orientation workshop on implementation of the program as well as practical management, leadership, monitoring, communication and planning trainings. Through the mentioned trainings the staff members have been able to prepare their activity plans. Based on the general annual work plan, the Provincial Management Teams have coordinated the program rollout with key stakeholders including government departments (the Directorate of Education and Department of Literacy), District Development Assemblies (DDA's) and Community Development Councils (CDC's) both at provincial and district levels.

The basic services that have been carried out to build the capacity of field staff are as follows:

- Coordination of program rollout with the Department of Literacy and CDC's
- Selection of communities for program implementation in coordination and cooperation of CDC members
- Selection of Village Facilitators in coordination with the Literacy Department and CDCs
- The ability of Village Facilitators to select learners at the village level
- How field staff can successfully deliver the productive skills and microfinance services to community
- Establishing SHGs for savings and community banks for loan management
- Community banks received loan management and accounting systems trainings
- Conducting capacity building trainings for Village Facilitators on adult literacy teaching methods
- Conducting ToT trainings for our network of District Trainers

8. Perceived Impact of capacity building efforts

What are stakeholder's perceptions of the impact on the contractor's capacity building activities on LCEP -2?

How do perceived impacts of the contractor's capacity building efforts for LCEP-2 compare to impacts from other donors' projects?

When the project commenced in 2008 LCEP-2 had international advisors/consultants for each unit. After one year into the program's operation the national team had enhanced their own capacity to the point that they could replace the international advisors.

At present LCEP-2 has only one international advisor; the rest are dedicated Afghan nationals. This is a very unique model for Afghanistan, one which other donors have recognized and tried to emulate.

It is important to note that the National Qualification Framework (NQF) Board has adopted LCEP-2's tools of program standard and competency development processes.

9. Staff Retention

What is the percent of staff retention after training at LCEP II?

UN-HABITAT has long had a tradition of being led by Afghans. From its first days in 1989 the organization has invested in capacity building of its Afghan employees at different levels. UN-HABITAT currently employs more than 1,000 employees in Afghanistan across its portfolio of projects, of which only nine are international. All project managers are competent and qualified Afghans with years of diverse experience.

The retention rate has been very high – more than 90 percent. The main reason for such a high retention rate is the fact that they all feel part of the organization, opportunities are equal and most importantly any new initiative and innovative idea is welcomed!

The team can come up with an idea, supported by the international staff members who are highly qualified as international professionals and also as mentors and coaches, then can take the steps to develop the idea further, and eventually to share it with donors for funding. This process provides a staff member with the opportunity to think out of the box and to take leadership.

10. PMPs & Gender Outcomes

Have Mission and project PMPs effectively captured the results of capacity building activities at LCEP-2? Are gender outcomes reflected in the PMP for LCEP-2?

The PMP Indicators disaggregated by Gender are attached to this document.

11. Sustainability

How sustainable will the Project's capacity building activities be after the completion of the Project?

From its inception the vision for LCEP-2 was that it would be embedded in the Ministry of Education after completion of its first rollout in targeted communities. The MoU with the Government of Afghanistan also included reference to a database of qualified staff working

under the project to be transferred to the Ministry of Education as government staff. LCEP-2 has been working towards this objective that has not always been easy.

After weeks, months and years of hard work, they were proud to say they had achieved some of what was committed and have honestly accepted our failures to achieve others. All of the 5,000 Literacy Instructors will be registered in a government-approved registration system and later in an electronic database. In addition they will receive government-approved certification recognizing the status of the person as a literacy instructor, and a certificate documenting which trainings they have received. There is also a document identifying the long-term (five year) professional development needs of the literacy facilitators that the Ministry has to consider and plan for.

The learners will for the first time in Afghanistan will receive the government-approved certificate of graduation that is equivalent to Grade four of the formal school system. For those who wish to continue learning, they will be admitted at schools in Grade Five.

Both systems above were designed with assistance from the UN-HABITAT LCEP-2 team. The Literacy Department and the Ministry of Education have accepted, approved and taken ownership of the systems. The two systems are disseminated to all literacy partners to adopt the same process for their own purposes.

A national-level literacy teacher-training manual has been prepared with support from UN-HABITAT LCEP-2 that the National Literacy Department has taken ownership of. Any literacy instructor will have to attain a prescribed standard and meet the set criteria before he or she will be awarded the certificate.

All program standards and competencies for learners and literacy teachers are developed with assistance from LCEP-2 for the National Literacy Department which are approved and nationally accepted.

The UN-HABITAT LCEP-2 team in cooperation with government counterparts has established the first integrated literacy curriculum in the history of Afghanistan which is also accredited by the Ministry of Education as the authorized system to award Grade four equivalency, and to encompass a variety of additional subjects such as health, community savings, community finance, and business skills.

The National Literacy Department now has a program rollout model that it can adopt, adapt, and sequence to scale up its literacy and skills training interventions throughout the country. It is a low cost model that has been tested in LCEP-2 for the past four years.

With the institutionalization of the five major systems above in the Department of Literacy they believe that the skills set developed will not only be sustainable but will further improve over time.

12. On-budget Programming Assistance

All sustainability questions and doubts are answered and cleared by the transition process with the government taking the lead on all fronts.

The MoE and National Literacy Department recognize the wealth of assets, systems, experiences and achievements that have been accumulated in the program. The MoE and the Deputy Minister of the National Literacy Department have been very proactive in moving along these priority items.

To discuss the transition of LCEP-2 to MoE/ National Literacy Department and its importance for on-budget assistance to the MoE, a meeting was held on July 4th 2011 with the MoE team chaired by the Deputy Minister of the National Literacy Department. The meeting was aimed at discussing in detail the transition of LCEP-2 and technical assistance to the Literacy Department, and how this could best be implemented on a priority basis. Guiding principles for transition were also addressed.

The overarching goal of the transition for the Ministry of Education is to get the on-budget assistance so it can effectively lead, oversee and manage the programs under its mandate. Objectives of this process include capacity building, effective program management, introducing user-friendly procedures and putting the government in the driver's seat.

Transition will require that all partners work with and under MoE/ National Literacy Department on providing continuing on-the-job job training, mentoring and coaching. Class-based capacity building trainings have not proved efficient.

The overall objectives of the transition and technical assistance for the Literacy Department in light of National Education Strategic Plan- II (NESP-II) and Transition Benchmarks should mean the following:

- Structural Reform (A review of *Tashkil*)
- Design (Adapting, Adopting and Sequencing) of the curriculum and a training system to implement the curriculum
- Transition of experiences, program assets and systems
- New programs (initiatives) and joint implementation of Cohort 5 of LCEP-2 by UN-HABITAT and literacy department and other programs by UNESCO or any other literacy partner.

It was concluded that UN-HABITAT, UNESCO and MoE/LD should work together on unification of the following systems to avoid duplication:

- Curriculum Revision/Design (Adoption, Adaption and Sequencing)
- Monitoring, Reporting and Evaluation (MIS)

- Review and analysis of the structures designed by UN-HABITAT and UNESCO and National Literacy Department for implementation of the program
- National Survey of the Quality of Literacy Programs and Literacy
- Technical Assistance to NLC

The next steps below were agreed upon in the meeting:

- Meeting on review and analysis of the structures designed by UN-HABITAT, UNESCO and the Literacy Department for implementation of the program. This will be held on Tuesday 12 July 2011 at 01:30pm at the MoE
- Meeting on Monitoring and Evaluation System to be held on Sunday 24 July at 01:30pm at the MoE

C. Case Study: Ministry of Agriculture, Irrigation and Livestock (MAIL)

1. Background and Overview

The Ministry of Agriculture, Irrigation and Livestock (MAIL) is a line ministry that works for nearly 80 percent of the population of this country. MAIL has three deputy ministers: Technical affairs, Administrative and finance, and Irrigation and natural resources. MAIL has nine General Directorates (DGs), and several sub-directorates are included within each of the Directorates. Like other ministries, this ministry also has a line ministry/Directorate of Agriculture, Irrigation and Livestock (DAIL) in 24 provinces of Afghanistan. Total Ministry staff is 9,999.

The Ministry is currently undergoing a serious change management process; reviewing its program structure to meet the functions outlined in the Policy document of 2004, the Master Plan of 2005 and the Agriculture and Rural Development (ARD) strategy of 2008. MAIL is in the process of transition from a traditional line ministry, with direct involvement in production promoting activities including government farms and delivery of free extension and input provision, into a modern, streamlined ministry providing public sector services and facilitating private sector development in the agriculture sector. This transition is in line with the vision, mission and development objective (goal) of the agriculture sector which is set out in the February 2004 Policy and Strategy Framework and the Agriculture and Rural Development Strategy. These policy papers also clarify the respective roles of the government and the private sector in agriculture, which can be summarized as “*The government will enable an environment for private sector production and marketing, intervening only where the private sector is not prepared to be engaged... or market failures*”. Encompassed in this is an increased focus on the public sector responsibilities and MAIL’s ability to provide the required services and interventions including: policy and strategy formulation, legal and regulatory framework, quality control and food safety, veterinary public health, standards and certification, and monitoring and evaluation.

Under Minister Rahimi, the Ministry has become a focal point of external donor assistance. For its part, the USG is providing, *inter alia*, the change management support through the US Department of Agriculture, and USAID/A has had/has a plethora of activities in place or planned for the Ministry. The focus of this case study is on two USAID/A programs: Agricultural Development Fund (ADF) and the Agricultural Credit Enhancement Program (ACE)

The Project. For the purposes the case study, ADF and ACE are treated as one, and interchangeably. Signed in June 2010, the Agricultural Development Fund (ADF) is a grant to facilitate lending to the agricultural sector. In short, it is a bank account that serves as a second-tier lending institution, and no subsequent roles or responsibilities are assigned to it. ADF funds will reside in a special account, in Afghani currency, at Da Afghanistan Bank. USAID provided up to \$100 million into the account based on the lending demand from participating intermediaries. It is anticipated that all ADF funds will be lent to intermediaries within three years of this grant agreement. All loan repayments to the ADF will subsequently be re-lent to intermediaries in accordance with this grant agreement. As per the original agreement on a limited basis, ADF funds may be lent directly to agribusinesses and other agricultural value chain participants based on mutual agreement of MAIL and USAID. However the lack of engagement of the financial sector has led to a large portion of loans to be channeled through agribusinesses and non-financial intermediaries.

Attached to, forming part of the future success of the ADF is the companion project: Agricultural Enhancement (ACE) program. It operates in close cooperation with the MAIL General Directorate of Program Implementation and Coordination. A cost plus, fixed-fee contract was awarded to Development Alternatives, Inc. in the summer of 2010 to implement ACE, and it is now completing one year of implementation. It has 13 permanent expatriate staff and 60 Afghan nationals who operate a central office in Kabul 3 regional offices in Jalalabad, Mazar-e-Sharif and Herat. The project aims at increasing the availability of credit to small and medium-scale commercial farmers and to businesses that participate in the agricultural value chains. At \$50.00 million (core), the four year life of project, has as its objectives to facilitate lending, build the capacity of financial intermediaries, develop high-value agriculture and build confidence in the GIRoA.

It is the overall intention of ACE, in part, to establish and manage the ADF develop the ADF in-house capabilities to have full operational functions until such time that it can be transitioned to MAIL control. That said, it should be noted that \$15.0 million has been transferred to ACE to undertake lending as MAIL is not yet capable of obtaining GIRoA registration of the ADF, and will not be in the near future. A total of slightly more than \$16.0 million has been approved for lending through ACE. This is being done with the full approval of USAID/A, MAIL and the implementing partner.

The case study, therefore, focuses on the core capacity development as they apply to the ACE contract. DAI staff in Kabul along with office directors from the three regional offices

participated in the study. MAIL staff, as appropriate, was consulted during the case study development. Actual recipients of the new ADF funding were not covered in the discussions.

Capacity Development Survey Questions and Findings

A total of eleven capacity development questions were required for the case study. It should be noted, however, that DAI has just completed its first year of operation of ACE, and that many of the capacity development initiatives are planned for in upcoming quarters and years of the ACE program. That stated achievements have been made. Analyses led to findings which in turn led to conclusions within the case study.

2. Capacity Building Skills: *What specific capacity building skills has ACE/ADF introduced?*

The ACE program has the mandate to work with and within the Ministry of Agriculture, Irrigation and Livestock (MAIL). This derives from the need to build the capacity of MAIL to provide management oversight of the ADF once it is transitioned to GIRoA in 2014. Thus, while most of the capacity building activities are forward in ACE's out years, they are geared towards five categories of individuals:

- 40 employees of the ACE program, who will in the future become employees of the Agricultural Development Fund,
- 5 MAIL officials who will continue to serve in the ADF Board of Directors and the Credit Committee;
- 12 MAIL officials currently working in the Statistics and MIS departments, who will host the Knowledge Management Facility once transitioned from ACE;
- Up to 15 employees from MAIL's Private Sector Development and Agribusiness departments who will be trained to conduct value chain studies and use the results in the policy making process; and,
- Up to 75 members of Credit Management Units located within ADF client organizations.

While the categories of individuals are well defined, most of the accompanying skills are new to MAIL, and ACE is starting at a very low common denominator. In part to lay the ground work for the future transition, ACE has jointly interviewed and retained the following for inclusion under ACE with plans to transition them to ADF at the appropriate time. To date, these are: Internal Auditors (2), Risk Management Officer, Credit Administration Assistant, Customer Service Officer (2), Lending Advisors (8), Regional Directors (3), and various value chain professionals.

Findings: The advisory board and appropriate governance processes were expected to be in place by December 31 2010. However due to MAIL's delays in the establishment of the advisory board and the approval of the ADF policies and procedures submitted by the contractor since 4

months after the inception of the project, the ADF is still operating under the “fast track procedures” enacted in September 2010. A robust, active Loan Advisory Board that provides strategic direction and oversight of ADF is functioning and by year four, the GIRoA should be capable of inheriting the leadership role once the ACE project is concluded.

With the failure of the GIRoA to obtain registration of ADF and the inherent lack of interest on the part of existing banks to participate, ACE has devoted much of its first year in developing in-house capabilities to undertake lending. This is in addition to normal start up operations, and has seen a much smaller pace of capacity development than originally envisioned.

3. Management Systems: *What management systems has ACE/ADF introduced? What management systems seem most effective? Why? Which have been least effective? Why?*

ACE is in the process of introducing a credit management system that will in fact constitute the backbone of the ADF. The system, which will be operated and managed by Afghan staff, will be deployed by the end of 2011. For the value chain component of ACE, an up-to-date market information system is being developed jointly with MAIL.

A Loan Advisory board is established with MAIL and USAID/participation. Its role is to provide strategic guidance to lending activities. To manage the ADF funds, the ACE project does serve as the ADF Management Unit, which will assess funding requests from participating intermediaries, to the fund and provide technical assistance, and to strengthen agricultural value chains. Ultimately, USAID/A expects the contractor to transition ACE from expatriate management to local ownership/management by year four of project activities. Therefore, while management systems are to be developed, first year systems have resulted in a functioning ADF, albeit under the full direction of the ACE prime contractor.

Findings: It is not the intention of either ADF or ACE to have the prime implementer serve as a lending organization. Without initial steps in obtaining registration and first moves toward establishing an independent ADF, the prime implementer has been called upon to implement ADF. For its part, MAIL has not been sufficiently aggressive in moving forward, and the result is that the USAID/A-funded contractor has had to take on an inordinate amount of responsibilities to ensure successful lending, sometimes at the expense of other elements of the ACE program.

4. Project Costs: *How much has USAID invested in capacity building? What do respondents say about the effectiveness of this investment(s)? How cost-effective were these approaches?*

Investments in capacity development will mainly consist of on-the-job training and mentorship. Formal training will fundamentally consist of participation in training events abroad, with the possibility of 2-3 Masters degrees, and in-country training, particularly in the areas of agricultural lending, Islamic Finance and Credit Administration. ACE will invest an estimated \$1 million in capacity building activities throughout the life of the project.

Findings: There is no way to determine if the amount of, or types of, capacity development investments are correct at this juncture. With one year of implementation in hand, it is too early to determine amounts needed and its effectiveness. That stated the pace of counterpart MAIL participation in identifying individuals for key positions and the fact that ACE has had to undertake a lending function, should raise the need to look at capacity development more fully in the early years of the ACE program.

5. Project Assessment and Design: *Have project assessment(s) and/or designs addressed other factors that affect ACS/ADF staff performance to remove barriers to performance?*

The design of the ACE program, and consequently its staffing was based on a set of assumptions that did not realize, among them:

- The program called for a timeline, i.e. registration, not met by the GIRoA.
- Established banks have not been interested in the ADF program, and ACE has had to rely heavily on non-financial institutions with no experience in credit management.
- ACE had to “teach itself” and create in house capacity for the development of Sharia financial products.

As a result of these assumptions, the project had to make a strategic shift that affected its implementation approach, now with a stronger focus on reaching farmers through non-financial institutions, the establishment of Credit Management Units as “branches of the ADF” within financial intermediaries and engaging closer with agribusinesses.

Findings: Pre-design assessments have not been realized in that ACE/ADF is effectively a lending institution, and assessments relating to barriers not anticipated in actual implementation have not been undertaken as these are occurring during the first year of the program’s implementation. The needs arising from these obstacles, changes in direction, etc., are clearly identified to the implementing partner and are to be addressed.

6. Gender Considerations: *Were gender issues a barrier to building capacity?*

ACE /ADF do not have targets related to building the capacity of women. That stated ACE reviewed lending opportunities to women-owned agricultural enterprises, associations and cooperatives and learned that these institutions were donor driven and token women micro-enterprises and did not meet ADF’s lending criteria. During the process, ACE also learned that lending to Afghan women poses fundamental challenges, among them: a) generally women do not have assets that could be pledged as collateral, b) cultural norms typically prevent women from working outside the household, and c) the majority of women, especially in the rural areas are illiterate and hence lack the skills to keep basic accounting records.

While this would de facto exclude women from accessing financial services, the Agricultural Development Fund (ADF) is by design an inclusive institution and both USAID and MAIL have

stressed the need for the ADF to find ways to provide women with credit for agriculture-related activities. ACE/ADF will be launching Zahra a Sharia financial product to cater specifically to women farmers and agribusiness entrepreneurs.

Findings: Gender is a mandate under ADF, one that the implementing partner and USAID/Afghanistan are fully in support of going forward. The problems above, generic though they may seem, do impact on the ability to move gender issues forward. It is hopeful that, in addition, to the financial products being developed by the implementing partner, that standard, normal operating loans can be identified and developed during the life cycle of the ACE contract and under ADF going forward.

7. Assessing Skill Levels: *How was MAIL staff skill levels evaluated to determine gaps and what types of training or capacity building was needed? What standards were used for this evaluation?*

Straight forward answer is none to date. The implementing partner, Development Alternatives Incorporated, is a well known firm with both in-house training capabilities and a broad depth of agricultural experience. The first year of ACE has not had evaluation of MAIL staff nor standard methodologies utilized. The operating premise of ACE is that the bulk of the skills level will be assessed using mentoring and on-site professional experts. This does not limit a broader, more skills focused examination. However, it has not been in the work plan for year one of the contract.

Findings: The implementing partner is fully aware of the breadth and depth of the capacity building that is required for MAIL to assume its roles and responsibilities going forward. The failure on the part of the GIRoA to get the ADF registered feeds down into the lack of staff identified to work under ACE/ADF. That said, USAID/A should be vigilant on the timing and types of skills need to be developed through the period of the ACE program.

8. Improving the Delivery of Services: *How have ACS/ADF's capacity building activities contributed to the technical ability of MAILs to provide improved services to customers?*

Not applicable to date outside of setting up loan procedures, loan committee oversight and establishing the three field offices of ACE which do on an ad hoc basis work with DAIL on loan identification and development.

Findings: *Ibid above.* The total spectrum of capacity development requires continual monitoring and focus by both USAID/A and ACE.

9. Perceived Impact of Capacity Building Efforts: *What are stakeholders' perceptions of ACS/ADF's impact on capacity building?*

For the most part, this questions is not applicable at this stage. With ACE assuming the lending responsibilities in the interim and near term, some capacity development was required with GIRoA counterparts. Grants to associations and others are new, and no measure has been

considered in this area. The actual calculations of stakeholder's perceptions, beyond the lending portfolio, will only occur in the out years of the ACE program.

Findings: Stakeholders' general perceptions, as taken by those associated with initial lending, are generally positive; MAIL and other GIROA institutions recognize the effort made by ACE recruiting qualified professionals, changing directions to take on the lending portfolio, and establishing loan programs unique to Afghanistan's culture. An important aspect of this process in the future will be the extent to which MAIL continues to participate in the recruitment of personnel that will eventually remain part of the ADF. Without such proven commitment, MAIL's roles and responsibilities will be in question going forward.

10. Staff Retention: *What percent of staff that have been trained remain employed at MAIL?*

Not applicable at this time.

Findings: Going forward and in consultation with MAIL, staff in all locations will continue to be hired, trained and managed by the contractor. Ultimately, USAID expects the contractor to transition ACE from expat management to local management by year four of project activities. Retention at that point will depend upon the actual organizational structure of the ADF, salary scales and benefits commensurate with a lending facility. In general, the model for ADF anticipates competitive salaries based on retained earnings of the fund.

11. PMPs & Gender Outcomes: *Have Mission and project PMPs captured the results of capacity building activities. How are gender outcomes reflected in the PMP for ACS/ADF?*

Capacity development is recognized as a key to transition MAIL to "ownership" of ADF. The Intermediate Results for capacity development taken from the PMP do not address gender. The "Risks: Types and Potential Examples" do clarify that there will be an ongoing partnership with the Department of Woman's affairs.

Findings: Given the nature of the services provided by ACE and ADF, which are primarily available to creditworthy applicants, and that as stated above, women face particular challenges to access credit. That stated the development of financial products directed toward women is under consideration and development. How gender is treated in recruitment of quasi-permanent staff for the ADF should be monitored as this process goes forward. It is important to again to note that the implementing partner had to assume lending responsibilities, and risks associated therewith, as part of first year implementation. The result is that while gender, capacity development and other items remain to be addressed, they have not been thus far. ACE recently hired a Business Development and Gender Advisor with substantial experience in Afghanistan, who is currently engaged in seeking ways to service women entrepreneurs. With respect to the ADF, the constitutional right of Afghan woman to participate in, and benefit from economic development, is a cross-cutting element in MAIL's master plan for change management and is articulated in the Agricultural and Rural Development (ARD) strategy as well as in the National

Agriculture Development Framework documents that govern MAIL's and, subsequently ADF, operations in the future.

12. Sustainability. *How sustainable will the Project's capacity building activities be after the completion of the project?*

Both ACE and ADF are completing the first year of implementation. It is too early to understand sustainability of either project. ACE is implementing on schedule. Lending is currently being done through ACE with ADF resources as the GIRoA is somewhat behind in its role in establishing the ADF.

Findings: A continuing theme of the ACE activity will be its close collaboration with MAIL, and the development of local staff to assume responsibility for all project activities during the later stages of the project. The contractor will support MAIL in coordinating with other donor funded agricultural finance programs in order to ensure ADF is aligned and compliments other lending activities.

That said, without a strict oversight and adherence to the program design of both ACE and ADF, this is a core area of both programs that could easily fail. Progress to date shows the implementer being successful while being pulled away from what was envisaged. Going forward, MAIL and the GIRoA will have to be more proactive in looking at and meeting the "transformational" goals of ACE and ADF to ensure its success. USAID/A has the responsibility to monitor this process in a timely manner and act accordingly.

D. Case Study: Technical Support to the Central and Provincial Ministry of Public Health Project (Tech-Serve) / Ministry of Public Health (MoPH)

1. Background and Overview

MoPH: Because of prolonged civil war, the coverage of preventive and curative health services in Afghanistan was very low by the end of 2001. Infant mortality rate (IMR) was estimated at 165 per 1,000 live births, the under-5 mortality rate was 257 per 1,000 live births, and maternal mortality ratio was 1,600 per 100,000. Coverage of services like skilled birth attendance, prenatal coverage and vaccination were very low.

One of the pillars of the Afghan National Development Strategy (ANDS 2008-2013) is economic and social development where reducing poverty, ensuring sustainable economic development through private sector led market economy, improve human development indicators and making significant progress towards MDGs are the main objectives. The National Health and Nutrition Sector Strategy (HNSS 2008-2013) elaborates on the ANDS. It sets ambitious targets to be attained by the end of 2013: (i) reduce maternal mortality ratio by 50 percent from the year 2000 level; (ii) reduce infant and U5 mortality rates by 50 percent from the year 2000 level; (iii) increasing physical access to primary health care through increase in the number of people living

within two hours of walking distance to a facility from its current level of 65 percent to 90 percent; and (iv) attain full immunization coverage.

Recent achievements in health in Afghanistan have been made possible due to large amounts of external assistance, but Afghanistan remains a country with some of the poorest health indicators worldwide. The key challenges the country faces include: (i) high infant and under-five mortality rates; (ii) a very high maternal mortality ratio, where 78 percent of the deaths can be prevented by increasing the births attended by skilled providers and proper referral; (iii) poor sanitation and malnutrition; and (iv) A high burden of disease from malaria and tuberculosis. In this context, USAID has prioritized the provision of quality basic health care for rural communities with a primary focus on women and children.

Implementing Partner: Management Sciences for Health (MSH) is a nonprofit international health organization composed of more than 2,000 people from 73 nations. Our mission is to save lives and improve the health of the world's poorest and most vulnerable people by closing the gap between knowledge and action in public health. Together with our partners, we are helping managers and leaders in developing countries to create stronger management systems that improve health services for the greatest health impact.

MSH Programs: MSH takes an integrated approach to building high-impact sustainable programs that address critical challenges in leadership, health systems management, health service delivery, human resources, and medicines. Wherever our partnerships succeed, the positive impact of good health has a ripple effect, contributing to the building of healthy nations.

MSH works collaboratively with health care policymakers, managers, providers, and the private sector to increase the efficacy, efficiency, and sustainability of health services by improving management systems, promoting access to services, and influencing public policy.

MSH History: MSH was founded in 1971 by Dr. Ronald O'Connor, who was deeply inspired by the example of Dr. Noboru Iwamura, a Japanese physician with whom Dr. O'Connor---then a young medical student---worked in Nepal. As a young man, Dr. Iwamura was dug out of the rubble of a concrete building less than a mile from ground zero of the Hiroshima bombing; he was the only survivor of his high-school class. After several years' recovery from the effects of radiation, Dr. Iwamura completed his medical training and committed himself to making a contribution to peaceful development in Asia. He began to focus on health issues in less-advantaged countries, leading him to Nepal in 1962. Dr. Iwamura's work was rooted in principles of mutual respect, community participation, and the best of public health service. His example continues to inspire MSH efforts throughout the world.

Project: USAID/Afghanistan re-opened in 2002 following decades of civil conflict and pressing humanitarian needs and has made substantial contributions to the reconstruction of the health sector through service delivery, first under the Rural Expansion of Afghanistan's Community-

based Health Care (REACH) project. REACH started in May 2003 for three years, with the twin objectives of funding contracted-out service delivery through NGOs and building capacity through technical assistance and training. Following the end of REACH, the Technical Support to the Central and Provincial Ministry of Public Health (Tech Serve) was launched in 2006, with the objectives to build leadership and capacity of the Ministry of Public Health (MOPH) at central and provincial levels to expand access to quality health services.

The Tech-Serve (Technical Support to the Central and Provincial Ministry of Public Health) Project is a US\$83.6 million five-year project under an Associate Cooperative Agreement (No. 306-A-00-06-00522-00) with the United States Agency for International Development (USAID). Tech-Serve was launched in July 2006 by Management Sciences for Health and will run until 30 September 2011. The goal of the project is to strengthen the Ministry of Public Health (MoPH) at all levels, leading to improvements in the health of the people of Afghanistan. Tech-Serve is working with the MoPH to improve access to quality health services and increase gains in key indicators, including the regular provision of quality essential pharmaceuticals and contraceptives in the 13 USAID-funded provinces. In 2010, at USAID's request, Tech-Serve expanded to work in an additional 11 Quick Impact Provinces (QIPs).

The objective of Tech-Serve is to improve the capacity of the MoPH to plan, manage, supervise, monitor, and evaluate the scale of access to and quality of the Basic Package of Health Services (BPHS) and Essential Package of Hospital Services (EPHS), particularly for those at highest health risk. To accomplish this goal, Tech-Serve will achieve the following Intermediate Results (IRs):

- Improved capacity of the central MoPH to support the delivery of BPHS and EPHS services, primarily through nongovernmental organization (NGO) service providers;
- Improved capacity of the 13 Provincial Health Offices (PHO) of the MoPH to support the delivery of BPHS and EPHS services; and
- Developed planning, management, supervision, monitoring and evaluation, and leadership capacity of the MoPH.

In order to support the achievement of these goals, the Tech-Serve project works with the MoPH to build its management, leadership, and public health technical capacity at the central level and in 13 USAID-focus provinces. Tech-Serve improves the capacity of the MoPH at all levels to oversee, manage, and support the delivery of the BPHS and EPHS programs, two priority strategies now incorporated into the Afghanistan National Development Strategy (ANDS). This capacity-building is achieved directly through technical assistance, training, coaching, mentoring, and networking activities, and interventions applied to the building blocks of health

system strengthening (HSS)⁹: health service delivery, health workforce, health information systems, medical products, health financing, and leadership and governance.

The Tech-Serve project has several key strategic program areas. Building the Capacity of Provincial Public Health (PPH) offices by:

- Supporting the Grants and Contracts Management Unit (GCMU) of the MoPH
- Strengthening the MoPH Departments and Sections at the Central Level
- Scaling up Family Planning/Community-based Health Care (CBHC)
- Providing Quality Pharmaceuticals to Health Facilities and Health Posts in 13 Provinces and Beyond
- Providing Technical Support to the Hospital Sector and EPHS Implementation at five Partnership Contracts for Health Services (PCH) supported provincial hospitals.
- Strengthening Monitoring and Evaluation and Health Management Information Systems (HMIS).

2. Assessing Capacity Building Skills

What specific capacity building skills has Tech-Serve introduced?

Before 2003, MoPH was not able to function on its own without donor/expat Technical Assistance (TA) and support. They didn't have experience or knowledge of the workings of international and domestic organizations.

Findings: To solve this gap of skill sets, Tech-Serve introduced to the Central and Provincial levels: leadership training; team building; and policy and strategy development skills

3. Assessing Management Systems

What specific management systems has Tech-Serve introduced?

The objective of Tech-Serve is to improve the capacity of the MoPH to plan, manage, supervise, monitor, and evaluate the scale of access to and quality of the Basic Package of Health Services (BPHS) and Essential Package of Hospital Services (EPHS), particularly for those at highest health risk. To achieve their goal, TS has introduced various management systems

¹As defined by the World Health Organization (WHO)

Findings: Tech-Serve’s advisors work with the MoPH’s Grants and Contracts Management Unit through the PCH program. Through PCH, GCMU “contracts out” the implementation of the BPHS and the EPHS to service delivery NGOs.

In its agreement with the MoPH, USAID requires that PCH safeguard all US government resources funding the delivery of health care in Afghanistan. To this end, PCH conducts periodic financial and management assessments of health delivery projects implemented by contracted local and international NGOs in the 13 USAID supported provinces. Based on the findings of these assessments, Tech-Serve Advisors expanded the scope of the engagement to include assessments of the headquarter and field operations of all NGOs.

Tech-Serve advisors assisted the PCH in drafting comprehensive financial and management assessment tools, such as checklists, to enhance the monitoring exercise. The advisors also worked with PCH staff in the utilization of the assessment tools and assisted them in drafting a plan to monitor each NGO at least once every six months. A Tech-Serve advisor accompanies PCH Consultants to monitor the headquarters and field operations of at least four NGOs. Tech-Serve believes that this ongoing support will help build PCH staff capacity and the sustainability of the PCH assessment process as the Tech-Serve project ends.

A major benchmark for achieving the Migration Plan, originally set at early 2011, was for the GCMU to draft a Human Resources Manual. Tech-Serve worked with the GCMU to finalize a draft HR Manual in which standardized salary ranges for the different categories of consultants within GCMU were established and applied to PCH staff. This manual has been approved by the MoPH Leadership and will now serve as a reference tool for the ongoing migration process.

Health Management Information System: The purpose of a Health Information System is to assist policy and decision makers and health workers to better manage and coordinate services, supplies and resources, to improve health outcomes and services. There is also a Provincial Health Management System introduced to the MoPH.

4. Assessing Project Costs:

What level of USAID funding has the Tech-Serve invested in capacity building? Describe specific investments.

The project reports expenditure of US\$ 28,151,955 from July 1, 2006 to March 31, 2009 (including US\$ 21,864,346 actual expenditure plus US \$ 6,287,609) out of a total budget of US\$ 49,705,253, including a US\$ 19,935,733 increase in ceiling granted in October 2008. It has expended 57% of its budget over 69% of project’s time, but 73% if the commitments for the next pharmaceutical orders are included. The project can therefore be considered well on track in terms of expenditures.

Findings: We only found costs from 2006 to 2009. However, after meeting with Tech-Serve COP, and senior management they came to the consensus that all of the project costs are capacity

building related. The one exception is the purchasing of pharmaceuticals, which they state represents a small percentage of the costs. These costs are related to the following specific investments:

- Management Support to Provinces
- Grants & Contracts Management
- Health Information
- Community Based Health Care
- Leadership Development
- Child Health
- Global fund proposal development
- Coordination (e.g. Annual Health Retreat)

5. Project Assessment and Design

What project assessment(s) and/or design efforts have been used to identify and address other factors that affect Tech-Serve/MoPH staff performance and help to remove barriers to performance?

Tech-Serve has identified and addressed other factors that impede MoPH performance. They have constantly used:

- Secondary consultants (Sub-contractors) to perform surveys and analysis.
- On budget planning models.

What gender relevant issues may have served as barriers to capacity building?

There are barriers to capacity building. They are cultural and security factors that affect performance. Education is another. Concerning gender, there is a shortage of females with the education and skill sets understand the training that is necessary for project success.

Findings: Cultural biases have prevented the equal participation of women in employment and educational/training opportunities. The questions asked during the interview process need to specifically address these cultural biases. Some women require guardians to take advantage of training opportunities.

6. Assessing Skill Levels

How did the Tech-Serve evaluate MoPH staff skill levels to determine where gaps existed and what types of training or capacity building was needed?

The objective of Tech-Serve is to improve the capacity of the MoPH to plan, manage, supervise, monitor, and evaluate the scale of access to and quality of the Basic Package of Health Services (BPHS) and Essential Package of Hospital Services (EPHS), particularly for those at highest health risk. Therefore, the training needs assessments (TNA), gap analysis, SWOT, had to be performed on MoPH staff at the central to provincial levels. This scope and range is deep and wide.

The project performs follow up after any form of training to assess whether the skills were retained and being utilized properly. This in turn revealed any gaps or development necessary to complete the original goals and objectives of the training.

Findings: Some departments required the development of Strategic Plans and Strategic directions. From the development of these plans specific skills were identified for implementation. For example: The HIS Strategic Plan identified particular skill sets that were required for the successful implementation of that strategy. This plan was used to underpin the subsequent development of activity and work plans for both the MoPH and MSH.

Day to day contact and coaching allowed for the continual assessment of counterparts skills and as a consequence specific and focused mentoring opportunities were implemented to address specific weaknesses.

Self-evaluation methodologies were developed for the Provincial Health Officers regarding their core functions and tasks. The Learning Center then organized focused training activities to improve skills in identified problematic areas.

7. Improving the Delivery of Services

How were capacity building activities expected to contribute to the technical ability of MoPH to provide basic services at the sub-national level?

The Tech-Serve project was designed with several key strategic program areas. Building the Capacity of Provincial Public Health (PPH) offices by:

- Supporting the Grants and Contracts Management Unit (GCMU) of the MoPH
- Strengthening the MoPH Departments and Sections at the Central Level
- Scaling up Family Planning/Community-based Health Care (CBHC)
- Providing Quality Pharmaceuticals to Health Facilities and Health Posts in 13 Provinces and Beyond
- Providing Technical Support to the Hospital Sector and EPHS Implementation at five Partnership Contracts for Health Services (PCH) supported provincial hospitals.
- Strengthening Monitoring and Evaluation and Health Management Information Systems (HMIS).

Findings: Tech-Serve works with the central MoPH, providing technical, management and leadership support to several Directorates and General Directorates: policy and planning, child health, environmental and occupational health, provincial liaison and coordination, and ANDS coordination.

Beginning 1 December 2010, Tech-Serve extended its assistance to the General Directorate of Policy and Planning (GDPP) to assist the department to better coordinate with other ministries involved in the health and nutrition sector.

8. Perceived Impact of Capacity Building Efforts

What are stakeholder's perceptions of the impact of Tech-Serve capacity building activities on MoPH? How do perceived impacts of Tech-Serve's capacity building efforts for MoPH compare to impacts from other donors' projects?

Impact Example: In March 2010, staff at the Kandahar PPHO found coverage for Penta 3 immunization against Diphtheria, Tetanus, Pertussis, Hepatitis B, and HIB (Haemophilus influenza) to be just 69% across the province, 16% below the global, medically determined figure required for community coverage. By applying skills learned in Tech-Serve's LDP, PPHO staff utilized one of the program's core skills – the Challenge Model – to assist them in overcoming the problem. By establishing priorities, identifying root causes, and mapping potential obstacles, an action plan was prepared by the team and resources mobilized with a goal of improving coverage to 80% by September.

Findings: The MoPH and other stakeholders are well aware of the impact of Tech-Serve capacity building activities. Over the past 5 years, Tech-Serve has repeatedly strengthened the MoPH with capacity building efforts such as:

- On job training
- Training courses and workshops in country and abroad
- Study tours
- Networking & Learning Centers
- Job aids (guidelines, checklists, protocols)
- Policy & strategy development
- Online courses and seminars
- Conferences
- Provision of office equipment, refurbishments
- Assessments & evaluations
- Implemented a tool to evaluate the quality of data being collected throughout the health sector. This allows the HMIS Department to identify data collection and collation weaknesses and develop strategies to improve the management of data across the health sector.

9. Staff Retention

What is the percent of MoPH staff retention after training by Tech-Serve?

Anecdotally, approximately 65% of staff remained in their positions following training after a period of approximately 1 to 2 years.

Findings: A different paradigm applies to the MoPH when it comes to staff retention. We have to view it from a sector perspective, in this case the health sector. Staffs that are being trained through Tech-Serve almost invariably continue to work within the Afghan health sector. MSH staff estimate that a substantial percentage of those trained under Tech-Serve continue to work with MoPH, and virtually 100% continue to work in the Afghan health sector

10. PMPs & Gender Outcomes

Have Mission and project PMPs effectively captured the results of capacity building activities at Tech-Serve? Are gender outcomes reflected in the PMP for Tech-Serve?

Please refer to PMP in the annex for details.

Findings: We reviewed the M&E, PMP, etc. documentation provided on Tech-Serve. Capacity building metrics and indicators are captured. However, the format is useful to those who are familiar with the project. Anyone else who would read the reports would not fully comprehend its meaning.

Gender outcomes are captured and reported narratively to USAID. They need to revise their PMP. It should have gender metrics built in.

11. Sustainability

How sustainable will the Project's capacity building activities be after the completion of the Project?

Universally, when funds end capacity building stops. This is a common concern for many ministries. However, the MoPH is in a better position to sustain its programs when the project is completed.

Findings: Examples of institutional capacity building, which has had sustainable results over the life of both the REACH and Tech-Serve program, include the following:

- PHA: Assisted the PHO to be more involved in the coordination and monitoring of NGO implementers. To act as facilitators to improve communication between the central and provincial health tiers.
- GCMU: Improved the capacity of the MoPH to manage the contractual agreements for the provision of BPHS and to improve the capacity of the NGOs to manage and provide services.
- CBHC: Improved community participation to better involve the DHOs in the District Health System.

F. Case Study: Independent Administrative Reform and Civil Service Commission (IARCSC)

1. Background and Overview

The Independent Administrative Reform and Civil Service Commission (IARCSC) is the counterpart for this USAID/A capacity development initiative. IARCSC was established in 2002 with the mandate of establishing a modern, responsive, democratic, gender sensitive, transparent and accountable public administration enabled to manage public resources efficiently and effectively for improved service delivery in fair and equitable manner.

The IARCSC has a dual role in Afghanistan. As a Commission, it provides for ‘check and balances’ between GIROA and its employees, and serves as the GIROA personnel Ministry. The IARCSC has had at one point a total of approximately 681 profession and support embedded ACSS-funded staff and is currently divided into seven ‘business units’ or Directorates and Boards:

- Civil Service Management Department (CSMD): develops policies relating to the structure, management and appointment of civil servants, develops civil services law and regulations, and implements Pay & Grading, and has approximately 109 ACSS-funded and embedded professional and support staff;
- Independent Appointment Board(IAB); identifies and recommends the recruitment, appointment, promotion, transfer, retirement, pension payments and other personnel matters of civil servants for the approval of the president, and has approximately 26 ACSS-funded and embedded professional and support staff;
- Independent Board of Appeals (IBA); manages the appeals of civil servants who consider they have been disciplined unfairly or discriminated against, and is a small unit with ACSS-funded and embedded 2 professionals and support staff;
- Administrative Reform Secretariat(ARS): provides administrative and financial support to the IARCSC chairman and monitors the implementation of reform programs, and has approximately 44 ACSS-funded and embedded professional and support staff;
- General Directorate for Program Design and Management (GDPDM): leads the institutional capacity development of civil servants, donor relations and technical assistance management, management of development programs/projects and enhancing capacity through appointment of national and international experts for the ministries and government agencies, and has approximately 8 ACSS-funded and embedded professional and support staff;

- Afghan Civil Service Institute: leads and manages all civil service training activities, and has approximately 463 ACSS-funded and embedded national professional and support staff; and,
- Provincial Affairs Directorate (PAD): provides for sub national Job Fairs to recruit civil servants into the *tashkeel* of the sub national government. Approximately 28 embedded ACSS professional and support staff.

By contract, the IARCSC was designated as the prime counterpart to the implementing contractor. That said, lack of ownership of the Project at the Chairman level, has led to most Directorates opting for assistance in and out of the work plan.

Afghan First/Afghan Led

While the Project described below represents a continuation of Deloitte support to the Commission dating back to 2007, the focus of the Case Study is the identified Project in question. Equally, by way of additional background, the role of “*Afghan First/Afghan Led*” needs to be understood as part of the context of implementing the Project.

USAID’s imperative of “Afghan-led, Afghan-first” fundamentally shaped and colored the Project, and it provided a context for Project implementation, and the implementing partner’s relations with its counterpart. This project was the first with Afghan-led, Afghan-first, and it signaled a marked departure in how USAID capacity development support to the IARCSC would be channeled.

Fusing Afghan-led to Afghan-first complicated and compounded challenges faced in Project implementation. The earliest days of the Project starkly revealed the inability of the IARCSC leadership to develop actionable work plans and what the Project could accomplish. Proposals from the individual Directorates and Boards were brought out and submitted, but there was no willingness or ability to consolidate and prioritize a “whole of commission” set of needs

In the 20 months since continuation of Deloitte support through this new Project was announced in October 2009, the IARCSC has still not been able to adopt a “Commission” approach in implementing the goals and objectives for the Project. What became apparent was the well known misunderstandings and often antipathy for the Project. The Project had to accede to the decision-making of the IARCSC regardless of whether it arose outside the Project design or less than adequate decision making.

This background is essential to understanding the context under which the Project is being implemented, and does contribute to answers arising from the questions covered in the Case Study.

The Project

The Afghan Civil Service Support (ACSS) project was an \$84 million one year USAID- funded initiative that builds upon prior intervention supporting public sector capacity building and reform within the IARCSC. ACSS is unique in that it has a hybrid model of implementation. It is not USAID/A led, rather is under the rubric of IARCSC control. ACSS is a continuation of a series of USAID-funded interventions that started with the Afghans building Capacity (ABC) project that was active in the provinces and with the central government in Kabul. This subsequently became the Capacity Development Program (CDP). CDP was changed to ACSS on Feb.1, 2010, with its scope of work adjusted to focus primarily on the Civil Commission.

The goal of ACSS is to *”improve the efficiency and transparency of GIRoA to deliver basic services to citizens as national and sub-national levels by enhancing the capacities of IARCSC to support reform and capacity-building in the public sector”*. The modalities to build capacity include training, mentoring & coaching, workshops, study tours, policy and procedures documents (e.g. manuals, other tools), financial and administrative systems and regulations, technical assistance/advice, networks and partnerships. ACSS was designed to be implemented over one year from Feb 2010 to Jan 2011, but has been amended to take the Project to October, 2011. ACSS provides material and technical support to IARCSC and currently provides international advisors and at one point, as many as 650 national advisors at various Commission Directorates.

Capacity Development Survey Questions and Findings

2. Capacity Building Skills: *What specific capacity building skills has ACSS introduced?*

Component 1 of the program is designed “to increase the capacity of the Afghanistan Civil Service Institute (ACSI) within the IARCSC. The objective of this component is to develop a functioning Civil Service Institute that delivers standardized training programs in all 34 provinces and responds to the needs of GIRoA ministries. ACSS has worked closely with the ACSI in order to develop a series of civil servant training materials in five public administration and good governance functions: Financial Management; Procurement; Human Resources Management; Project Management and Policy and strategy Development”. Training related to these materials has been undertaken.

Component 4 of the program is designed to “build the capacity of the IARCSC to implement public administration reform effectively and transparently. The object of this component is that GIRoA Civil Service Reforms are implanted efficiently and transparently. ACSS is providing technical support to the CSMD order to build the capacity of its staff in coordinating and streamlining the design, management, and implementation of implementation of development projects within the IARCSC, in accordance with PAR strategies and objectives. ACSS has also provided support to the GDPDM in meeting its mandate of identifying new projects and facilitating liaison with donors and strategically coordinating funds. The latter has included coordinating internally (within the IARCSC, at the national and sub-national levels); externally

(across the ministries of the GIRoA); and internationally. ACSS has meanwhile supported the PAD and Appointments Board in managing the recruitment and appraisal of national experts within the ministries of the GIRoA. In addition, ACSS is enabling the ARS to develop effective technical coordination through the development of manuals, procedure, mechanisms, and procurements and contract management systems, as well as via a strategic plan aligned to the development strategy of the IARCSC”.

Findings: Capacity development initiatives are being undertaken in both a broad and general sense. ACSS has undertaken what could be called line functions in some instances, but the Project’s focus on increasing capacity within the Civil Service is evident from the PMP, Annual Report and through interviews. It has often been difficult for the prime implementer to complete tasks given the vagaries of working under a less than fully functioning IARCSC.

It is clear that accurate reporting is difficult to obtain from the implemented activities. The Implementing Partner is doing a good job on reporting, but often with inadequate or incorrect information rolling up to ACSS. A case in point is how many individuals are being trained at the provincial level. It is reported that when counting occurs, cleaning staff are called into the room, as one example. Equally, the training institute has a complete set of classrooms, but the quantity and quality of the training often is less than fully addressed.

3. Management Systems: *What management systems has ACSS introduced? What management systems seem most effective? Why? Which have been least effective? Why?*

ACSS provides multifaceted support to the IARCSC’s Civil Service Management Department (CSMD) in order to develop its capacity to lead the implementation of PAR, including P&G, at both the national and sub-national levels. ACSS is also assisting the CSMD in fulfilling its mandate of developing policies relating to the structure, management and appointment of civil servants and of monitoring their implementation in accordance with Afghanistan’s Civil Service Law and other GIRoA regulations. ACSS support to the CSMD is comprised of the following main elements: business Process Simplification (BPS); Human Resource Information Management Information System (HRMIS); Organization Design (OD); Reform Implementation Management Units (RIMUs); and Legislation, Strategy and Policy Design.

Findings: A Human Resources Management Information System (HRMIS) is supported by ACSS for support to the IARCSC and is located within the CSMD. HRMIS has multiple goals: an enabler of administrative reform, enforcer of policies, laws and regulations and to function as a tool that allows mitigation of corruption, increasing of transparency and efficiencies within HR departments across the GIRoA. To date, the system is questionable, showing some potential yet to be developed and has seen its identification and development thwarted by internal politics at the IARCSC. It is unclear if it will be fully functioning prior to the end of ACSS in October, 2011.

Also, ongoing policy and change management support is at the heart of the management changes being implemented by ACSS.

4. Project Costs. *How much has USAID invested in capacity building? What do respondents say about the effectiveness of this investment(s)? How cost-effective were these approaches?*

This is a difficult question to answer as almost all of ACSS activities are capacity development related. Respondents praise the support in public, but manage ACSS far differently in private. Effectiveness can be challenged given, in part, the IARCSC's approaches to identifying and using external consultants. Cost effectiveness is an open issue. With a revolving door of international consultants based on changes made by the Commission, it is difficult to argue that the investments are cost effective. When factoring in "line" functions that are often undertaken by the expatriate advisors, this becomes a more difficult case to make.

Findings: This is not measurable under the project. Each directorate treats the ACSS project with varying degrees of ownership. The more the ownership, i.e. ACSI, the more difficult accurate information is to obtain. Information is a close hold item. The Implementing Partner does the best it can on expenditures and accruals, but must in the final analysis rely upon the information rolling up from the counterparts. Initial indicators are that it is almost impossible to ascribe costs to capacity development as the entire ACSS Project is capacity development. Respondents are positive, but reflect who you asked the questions of as opposed to a systemic survey question.

5. Project Assessment and Design: *Have project assessment(s) and/or designs addressed other factors that affect ACSS staff performance to remove barriers to performance.*

This is not a normal function within the ACSS working environment, and therefore would be hard to assess. As the findings indicate, project assessments and/or designs may well be useful in and amongst the activities of the IARCSC Directorates; however, under "Afghan-led, it is not a common practice to identify such information sharing needs.

Findings: The six Directorates are "stove piped" entities who do not share information typically across the IARCSC internally. Information from assessments or designs is rarely shared. Within the ACSI, CSMD, and GDPDM, there is a wide-spread and consistent problem in gaining access to the levels of financial support and specifics of the supporting activities within the IARCSC that do impact on ACSS.

To help mitigate this situation the USAID/A COTR for ACSS began in August 2010 to hold bi-weekly meetings with all embedded advisors who work within IARCSC. This has met with some success, continues, and the "informal" working relationships that have resulted from these meetings has assisted ACSS in its work. In addition to the bi-weekly meetings, the COTR and ACSS Chief of Party began a series of meetings with the Chairman/IARCSC to discuss the program, budgetary matters, impacts, concerns/recommendations, and requesting to learn more

of the chairman's priorities. These meetings continued into October of 2010 when they were halted due to the Chairman's other commitments.

6. Gender Considerations: *Were gender issues a barrier to building capacity?*

Yes. As part of its efforts to encourage women's participation in Afghanistan's public life, ACSS is assisting the IARCSC in implementing its series of gender mainstreaming activities which aim to ensure that the IARCSC is able to recruit and retain qualified women civil servants across the ministries of the GIRoA; that appropriate training is provided to female government employees in order to ensure standards; and that notion of gender equality are transmitted, accepted, and adhered to across the Afghan government.

Since the embedding in Oct 2010 of a female expatriate gender expert at the CMSD, home the Commission's Gender Directorate, ACSS sought to assist Gender Directorate in accomplishing the following objectives:

- Define specified strategy for gender equality in the civil service;
- Implement IARCSC's Gender Equality policy;
- Improve gender equality and women's empowerment in the civil service;
- Incorporate and mainstream gender in all programs, projects and policies;
- Increase women's participation and leadership in the civil service to 30% at all levels; and,
- Work toward elimination of all types of gender-related discrimination and harassment.

Findings: Gender is a mainstream activity of ACSS. ACSS provided technical support to the CSMD Gender Unit for the period covering October 1, 2010 through mid-March 2011 with the goal of aiding it to accomplish the following objectives:

- Define specified strategy for gender equality in the civil service
- Implement IARCSC's Gender Equality Policy
- Improve gender equality and women's empowerment in the civil service
- Incorporate and mainstream gender in all programs, projects and policies
- Increase women's participation and leadership in the civil service up to 30% at all levels
- Work towards elimination of all types of gender-related discrimination and harassment.

Strides were made by the Gender Unit in the development of a framework and toolsets to address these objectives. However, significant barriers precluded it (and by extension, the IRACSC) from successfully realizing them. These barriers included poor resource allocation from the IARCSC's Leadership Committee, lack of management support from the Office of the

Chairman, and momentum of leadership due to high staff turnover, cancellation of key catalyst events, and ultimately the re-direction of funds.

7. Assessing Skill Levels: *How were SBU staff skill levels evaluated to determine gaps and what types of training or capacity building was needed. What standards were used for this evaluation?*

Findings: Skill levels have been raised and service delivery has improved. The civil service institute has trained some 16,000 Afghan civil servants in the five common functions of Human Resource Management, Procurement, Financial Management, Strategic Planning and Policy, and Project Management Independent observers (UNDP, Governors' offices) report significant improvement in civil servants' performance as a result. The lack of baseline data from the ACSI made it impossible to measure the extent of these improvements.

8. Improving the delivery of Services: *How have ACSS's capacity building activities contributed to the technical ability of SBUs to provide improved services to customers?*

ACSS produced results that are significantly benefiting the operations of the Civil Service Commission and some line Ministries. Examples include:

- Salary support for national consultants embedded in the Civil Service Commission – some 600 employees and 2,800 interns are on the ACSS payroll, and are broadening the scope and reach of the civil service across the country;
- Technical support for the Afghan Civil Service Institute (ACSI) – in less than a year some 16,000 public servants have received basic five common functions and their performance has been reported as increased as a result;
- Strengthening ministry HR units – RIMUs are supporting HR departments in 5 ministries, increasing executive level appreciation for the importance of HR functions in a government that three years ago did not have HR units in most ministries;
- Strategic Communications – a team is strengthening strategic communications in 15 directorates, ministries and provincial governments, helping them spread the government's message to counter the strategies of anti-government forces;
- Increasing transparency – significant technical and material supports have been provided to the Appointments and Appeals Boards which are reducing patronage appointments to senior positions in the government;
- Business Process Analysis – a team of Afghans have learned BPA and are carrying out projects in ministries and speeding their decision making processes;

- Legal and policy support – ACSS legal advisors are working with Afghan counterparts to strengthen the legislative and policy base for the country’s public administration; and,
- IT supports – ACSS IT specialists have provided significant material and training supports to modernize services in most CSC directorates and the Institute, and significantly increasing their productivity.
- Through the cross-directorate cooperation of the Provincial Affairs Directorate and the Independent Appointments Board as well as across GIRoA agencies with the ILDG and relevant Ministries; their merit-based appointments and job fairs conducted to recruit candidates for the vacant tashkeel positions within difficult provinces (and their districts) such as Kandahar, Zabul, Uruzgan, Ghazni, and Paktika have brought forward over 770 candidates since December 2010.

Findings: There have been variations to the Afghan-led approach to ACSS/IARCSC capacity building to improve sub-national service delivery. The approach used by ACSS has been for ACSS to ascribe to the Institute’s decision-making about training needs, curricula, and pedagogy, apart from whether they correlated with services provided and jobs to be performed at provincial and district levels. Other directorates such as GDPDM and ARS rely on more traditional technical assistance, mentoring, and pilot projects as capacity building interventions. A more innovative approach for the commission has been the evolving collaboration of PAD and the Appointments Board mutually working together through ACSS international and national advisors to develop their staffs’ capacity for holding merit-based appointment interviews, job fairs, and follow-up training events at the provincial level.

9. Perceived Impact of Capacity Building Efforts: *What are stakeholders’ perceptions of ACSS’s impact on capacity building?*

In this endeavor, ACSS has made significant advances and achieved noteworthy successes. It is indeed gratifying for ACSS to note that it has been recognized as a leader in USAID Democracy and Governance Office’s collaboration with IJC and ISAF: in his letter to President Karzai dated 5 June 2011, General Petraeus highlighted the building and strengthening of civil service capacity by the IARCSC through PAD’s job fairs (which made significant headway in filling hard-to-fill civil service positions in some of the more security challenged provinces and districts), Appointment Board’s merit-based appointments (Deputy Governors and District Governors), and pay & grading (P&G) (which addresses the rationalization of civil servants compensation and status and job descriptions). These are all major initiatives of ACSS supported through its international advisors

Elsewhere in the Commission where ACSS international advisors have served a more traditional assistance and mentoring role, such as training developed in concert with ARS’s Performance Appraisal Pilot Project and GDPDM’s Sub-national Pilot Project on Project Management, there

is more promise of sustained capacity being created for GIRoA's civil servants. Both of these pilot efforts are deliberative in their design and structure for being Afghan-led, but also for documenting skills gained and lessons learned. Stakeholder assessments carried out for both of these pilot initiatives has been positive.

Findings: Stakeholder views about the effect of IARCSC capacity development activities can be seen from both its ministerial customers at central and sub-national levels, and from other donors. Positive feedback is typically forthcoming. Without having in place a more mature Commission level monitoring and evaluation system, impact examples are mostly antidotal. Without greater rigor in assessing the impact of ACSS, the value of stakeholder perceptions will remain positive, but ad hoc.

10. Staff Retention: *What percent of staff that have been trained remain employed at SBUs?*

The project support for some 650 national staff (approximately two-thirds of the Commission's complement) clearly was enabling the operations of most units of the Commission and strengthening their performance. However, unless the employees on the ACSS payroll transfer to the Tashkeel, this will not be sustainable. Work is apparently underway to transfer some 500 to the government – how many will want to make the shift is unknown, given there likely will be differences in compensation levels and working conditions. For the broader GIRoA, see the findings below.

Findings: Through a telephone survey conducted on July 9-10, 2011 the ACSS M&E team called a sample size of 362 civil servants (out of the 15,880 trained and independently verified by ACSS's M&E team) who had been reported by the ACSI as having participated in the five CF trainings. The ACSS M&E team was able to reach 234 of the 362 individual civil servants (182 male and 52 numbers of female). Those that were contacted came from a universe of 15,880 training participants across 23 provinces working within 38 various ministries and governmental agencies.

Of the 234 civil servants contacted in this survey, 212 civil servants responded that they are working within GIRoA. Accordingly, of the 234 civil servants surveyed, 90.6 % self-reported as being employed by GIRoA with 4.3% still employed but having changed positions within GIRoA (for a total of 94.9%), and 5.1% self-reported as no longer working within GIRoA.

According to the ACSI Internship Director, the ACSI graduated 2961 interns through the internship program in 2010. There were 1049 interns at the national level with 1912 interns at the sub national level. There were 222 interns who left for various and undocumented reasons.

The ACSI has promulgated that of the 2961 interns discussed above, 270 were hired into the civil service. Unfortunately, while the ACSI can provide the numbers of interns hired by the ministry or governmental agency, they are unable to provide any listing of the names and contact information of those interns who were hired into the civil service. Accordingly, it could not verified that those 270 interns are still working in the civil service.

11. PMPs & Gender Outcomes: *Have Mission and project PMPs captured the results of capacity building activities. How are gender outcomes reflected in the PMP for ACSS?*

The ACSS PMP includes indicators that measure performance by exemplifying participation and resulting outputs in the following capacity building activity areas (including gender disaggregation). According to PMP gender represented as a cross-cutting theme across all departmental activities. The original indicators were developed as output indicators, with the understanding that access to the data sources, for verification purposes, was to be provided by the IARCSC. These indicators include:

- Number of executive branch personnel trained in core administrative functions.
- Number of standardized trainings in one of the five CF provided by the ACSI.
- Number of civil servants who received training in one of the five CF.
- Number of trainers trained via TOT method in one of the five CF.
- Number of women civil servants trained in one of the five CF by the Gender Unit of the IRACSC.
- Number of the appeals and appointment board senior executives completing best practices study tours.
- Number of women in different management levels participating in study tours.

Findings: A critical challenge to adequate monitoring and evaluation of capacity building efforts was the lack of the resources on the ground to collect and feed into the evaluation of the data. The lack of the availability of dedicated M&E staff at the central, let alone, sub-national level continues to seriously hinder the capacity of the IARCSC to evaluate programming and adequately report out on program success, challenges and support requirements. Further, ARS M&E also has difficulty in attracting and retaining qualified *tashkeel* staff, including significant gap in the recruitment of a Director of M&E (vacant for close to 1 year). Assessment staff that had been dedicated to the initiation of the P&G reform evaluation have recently departed from ARS M&E, halting activities on the assessment until such time staff resources can be replenished to undertake the data collection and evaluation. Output indicators covering gender via disaggregation are incorporated within the ACSS PMP.

12. Sustainability. *How sustainable will the Project's capacity building activities be after the completion of the project?*

Without continued donor support, many of the activities will degrade or be discontinued. The value of the long-term, expatriate embedded advisors is an open debate. However, salary support for the Afghan national staff is without question a need that will impact on sustainability. Other aspects, strengthening the various Directorates will depend in part on the leadership of those Directorates and the ability to articulate a "vision" for building upon the work to date. Without such a vision, it is doubtful that activities undertaken will be sustainable.

Given the Afghan-led experience, the sustainability of capacity building under ACSS needs to be looked at from the angle that ACSS was not able to engage in sustainable capacity building of the IARCSC as a single entity. Sustainable capacity building, however, was possible in operationally unconnected pockets within the IARCSC (as it functioned), a mixed bag which necessitates looking at each in turn:

Nonetheless, it is in order to present a number of broader points here. The reading of the preceding sections of this document would amply reveal that examples of whole of commission positions, vision, approach, and results are virtually absent. The pervasive lack of a whole of commission approach to development aid is easily identified as the fundamental impediment to sustainability of any of the successes achieved by ACSS (to be sure, in well-defined areas of the operations of the IRACSC).

Take the case of the documented successes of the ACSS TA assisted job fairs and merit-based appointments, vital keys to the positioning of human capital in the critical rolling out of service delivery. The DG/PAD and Chairman/Appointment Board's would agree that their successes in these areas are due in no small part to their mutual support across departments as well as across governmental agencies through their cooperation with the IDLG. However, as laudable as their collective results are in filling hard-to-fill *tashkeels* in the challenging provinces and districts, the end result may well be both the absence of civil servant productivity and failure of sustainability. This is so for a critical reason: follow up training of civil servants to provide them with the requisite skills to effectively and efficiently carry out their basic responsibilities relating to service delivery. As it stands now, the civil servants training carried out by the ASCI must be questioned -- in fact; a broad consensus has emerged among the stakeholders on this. Equally, this failure to accomplish what is after all ACSI's primary mandate was always predictable given its self-imposed isolation from the other entities of the IRACSC in the development and implementation of its training responsibilities. What this manifestly demonstrates is the lack of whole of commission approach (in this case) to productively fill the *tashkeels*, with the end result and success measured by greater efficiency and effectiveness in the levels and quality of service delivery. Otherwise, little hope can be held out for any long term sustainability.

Findings: It is anticipated that the IARCSC will work with USAID in the future implementation of a grant-type agreement which will allow direct funding of IARCSC operations through the Ministry of Finance (MOF). It is expected that the grant agreement cash transfer assistance program will contain preconditions and ongoing benchmarks for the IARCSC to implement, document and improve its internal HR, finance and administrative processes and internal controls. The ACSS will continue to offer technical assistance to assist the IARCSC in consolidating HR, finance, procurement, and administrative services within ARS and providing technical assistance to the IARCSC in addressing the necessary remedial measures with respect to internal deficiencies identified in a prior USAID financial management control system and internal control systems assessment.

F. Case Study: DABS (Da Afghanistan Breshna Sherkat)

This case study is in three parts, because USAID has had at least three different projects doing capacity building activities with DABS. These include the KESIP Project, (Kabul Electricity Service Improvement Program: the Afghan energy Capacity Building Program (AECB), and “Kandahar Commercialization) also known as Task Order # 22. These three individual projects are discussed below, under Parts I, II, and III.

Part I: KESIP Project -- Kabul Electricity Service Improvement Program

1. Background and Overview

The Client: Da Afghanistan Breshna Sherkat (DABS) is the national power utility of the Government of Afghanistan. Its mission is to “provide safe and reliable power – at reasonable rates – to facilitate national economic growth with integrity, transparency and efficiency.” DABS is a government owned corporation which is responsible for providing power on a commercial basis to municipalities across Afghanistan. It has a presence in all 34 Afghan provinces, at 85 locations, and is structured around 7 major hubs, (Herat, Jalalabad, Mazar, Kandahar, etc) which in turn oversee subsidiary power utilities in smaller towns. In 2011, Afghanistan generates approximately 40% of its electricity domestically, while importing the balance. DABS is responsible for the domestic generation of power, as well as for transmitting and distributing all of Afghanistan’s electric power, including that imported from neighboring countries. DABS has a staff of more than 6,000. However, the primary client for the KESIP Project is only the DABS Headquarters operations in Kabul (with a staff of approximately 600) and the Kabul power utility KED, (Kabul Electricity Directorate) with a staff of about 1300.

The Project: USAID has initiated the Kabul Electricity Service Improvement Program, (KESIP) project to assist the Government Afghanistan in the commercialization and management of the Kabul Electricity Directorate (KED) and the Headquarters operations of the DABS. The project goals are to assist DABS in (i) reducing electricity losses from its national power distribution grid, and (ii) rebuilding its technical, commercial and human resource systems. The objectives include: (i) reducing commercial and non-technical losses; (ii) implementing a KED metering program; (iii) operating a standard electric utility company information system; (iv) designing new human resource systems; and (v) improving the overall management of KED’s electricity distribution system through mentoring DABS and KED Management. KESIP seeks to build the commercial, technical and human resource organizations with DABS with a primary focus on KED, in order to create an effective, efficient and accountable corporatized national electricity utility. By November, 2011, DABS is expected to be operating a modern distribution system supported by efficient systems for metering, billing and collection of revenue, and staffed by well-trained individuals. KED is expected to have adopted modern utility operating methods that strengthen its commercial and technical operations consistent with international best practices.

For staff, KESIP has had 15 long term expatriate advisors, and 37 local Afghan professionals, most all of whom have been embedded advisors within DABS and/or KED.

2. Capacity Building Skills: *What specific capacity building skills has KESIP introduced?*

Findings: Tetra Tech has divided its program into seven work streams, as follows: (i) Revenue and Commercial Management; (ii) Electricity Delivery; (iii) Information Technology; (iv) Finance and Accounting; (v) Human Resources and Administration; (vi) Corporate Planning, and (vii) Public Awareness and Public Relations. Capacity building skills have been provided to all seven work streams, through both formal classroom training, and extensive OJT from more than 50 embedded advisors working with DABS & KED. Formal training has been clustered under 6 headings: (i) Supervisory and Management Training, (ii) HR Training; (iii) Commercial Training; (iv) computer training; (v) English Language training, and (vi) Accounting & Finance Training. Specific training programs have included courses like: Introduction to Management; Introduction to Supervision; Recruitment and Selection; Employee Appraisals, Meter Installation, Testing, and Reading; Microsoft Great Plans, (a general ledger system) plus training in Personnel Data Management, Payroll, and Accounting. Because KESIP has many embedded advisors working inside DABS and KED, it also nurtures OJT capacity building skills through its mentoring programs.

Conclusions: With a sizable staff, a substantial budget, and extensive corporate experience working with power utilities, KESIP has directed a lot of resources at skill building for DABS/KED.

3. Management Systems: *What management systems has KESIP introduced? What management systems seem most effective? Why? Which have been least effective? Why?*

Findings: KESIP is organized to address management systems through the seven work streams described above. Each work stream involves a systemic cluster of management systems, which in turn constitute a larger holistic strategy for rationalizing the management operations of DABS and KED. Several management training modules have been developed for delivery to DABS/KEDS leadership. These include programs in time management, meeting management, situational leadership, problem solving and decision making, modern motivational techniques, strategic planning, and managing employee performance. The first series of introductory skills training for supervision and management have been delivered. Several others will be delivered based upon demand until the end of the contract, and then handed over to the DABS/KED training personnel.

Conclusions: KESIP has a well designed approach to systematically identifying management needs, and then deliver training programs and change management strategies that address key management needs.

4. Project Costs: *How much has USAID invested in capacity building through KESIP for DABS? What do respondents say about the effectiveness of this investment(s)? How cost-effective*

were KESIP's capacity building approaches? Have more expensive capacity building interventions resulted in more effective outcomes (e.g. have US embedded consults been more effective than local/regional consultants)?

Findings: The overall budget for KESIP is approximately \$48 million, including \$14 in procurement. KESIP Project Management staff estimate that at least \$40 million of that sum has been directed at capacity building, if one assumes that all seven work streams support the building of capacity at DABS and KED, and that the provision of necessary equipment (vehicles, cranes, computers, etc) also contribute to the capacity of the organization to carry out its mission and mandate. In round numbers, more than 80% and perhaps as much as 90% of the USAID funding has been directed at capacity building.

KESIP has had a substantial budget, and a staff of approximately 52 individuals, including 15 expats and 37 Afghan professionals. The ratio of expats to Afghans is 28% to 71%. Almost all the staff were embedded within DABS and/or KED. It is estimated that through this embedded process, the combined staff are providing more than 100,000 hours of on-the-job training per year as part of a massive corporate turn-around. A list of the number of Afghan advisors and where they have been working within DABS/KED suggests KESIP's approach and priorities, and how project resources are being allocated to build capacity: KED Commercial Unit (10); Human Resources (8); Power Distribution (5) Information Technology (3); Procurement: (3); Finance (2); Planning (2); Communications (2); and Legal (1). The CEO of DABS characterized the KESIP approach as "very cost effective," pointing out that the utility is now earning back far more than USAID has invested.

Conclusion: Changing the corporate culture of the old parastatal power utility (DABM) that existed as part of the Ministry of Energy and Water, and converting it into a relatively viable commercialized government owned corporation (DABS) is a monumental task. KESIP seems to have made significant progress in beginning to build new capacity within the new organization. The Project designers appear to have put together a judicious balance of expatriate and Afghan advisors to help move DABS and KED forward in a relatively efficient and cost effective manner.

5. Project Assessment and Design. *What project assessment(s) and/or design efforts have been used to identify and address other factors that affect DABS staff performance and help remove barriers to performance?*

Findings: A comprehensive needs assessment was conducted for KED that covered the technical energy sector, general skills, and management skills. In addition, the project was designed with \$14 mil set aside for necessary procurement to support capacity building. This money was used to purchase vehicles, cranes, computers, etc.

Conclusions: The needs assessment was carefully done, and led to the design of a thoughtful training program. The procurement was for essential items, which support other project related capacity building efforts.

6. Gender Considerations: *Did gender issues serve as a barrier to building capacity?*

Findings: KESIP Project Management report that “Gender issues have not been seen [as an issue] in the capacity building to date.” While there are relatively few women working for DABS, (<5%) 12 – 13% of the KESIP project staff are women, and of the nearly 900 staff from DABS and/or from KED who have been trained approximately 20% (173) have been women. The CEO of DABS reports that he has recently employed an Afghan woman to look at gender issues. She is closely linked with the Ministry of Women’s Affairs, and will reflect many of their interests.

Conclusions: in Afghanistan, the power sector is a male dominated industry. KESIP has managed to make some progress incorporating women into its programs. Adding a gender specialist seems like a useful step forward to give the issue greater visibility.

7. Skill Levels: *How were DABS staff skill levels evaluated to determine where gaps existed and what types of training or capacity building was needed. What standards were used for this evaluation? Were the evaluation efforts handled appropriately? Were capacity building standards consistent across USAID projects working with DABS? Did the skills assessment consider other donors’ capacity building activities?*

Findings: KESIP designed Training Needs Assessment (TNA) to identify the core training needs in the areas of (i) distribution networks; (ii) meter reading; (iii) billing processes; (iv) revenue collection; and (v) customer services, as well as essential complementary skill requirements such as Information Technology. The exercise was used to gather materials to design a competency-based training plan for DABS and KED employees. Nine hundred and fifty (950) questionnaires were administered to employees involved in meter reading, billing, revenue collection, loss reduction, and customer services. Initially the highest priority for training focused on the use of personal computer systems, meter reading, and performance management.

KESIP staff followed standard procedures in conducting a training needs assessment and included leaders, employees, and key stakeholders. The data was collected and reviewed with the HR office, and DABS Senior Management Group, and then entered into a final report. The skills assessment considered other donors’ capacity building activities.

Conclusions: KESIP conducted a comprehensive Training Needs Assessment, using best practices, and came up with solid data with which to proceed with their capacity building strategies.

8. Delivery of Services: *How have KESIP's capacity building activities contributed to the technical ability of DABS. to provide improved services to their customers?*

Findings: KESIP's capacity building efforts were driven by the Project's SOW, and aligned with the seven work streams described above. Efforts were directed at improving revenue collection, losses, and building fundamental skills for new leaders to manage their functional area. The results of KESIP's capacity building efforts shows up in the metrics quoted in its most recent Quarterly Report: "KED's key performance indicators continued to show improvements during the first quarter of 2011. Its cumulative cash collections for the year rose by 43%....Its cumulative energy received increased by 22%....KED's cumulative AT & C losses fell from 47% to 38% for the same period...."

Conclusions: KESIP's approach to capacity building appears to be having a substantial impact. This shows up in the abilities of DABS staff to provide improved services to DABS customers. Some of these improvements come from the massive investments in the NEPS system which allows more power to flow into NE Afghanistan and Kabul, and improvements at various hydro stations along the Kabul River. But it also shows up in DABS and KED's improving abilities to manage these new systems and technologies.

9. Capacity Building Efforts: *What are stakeholders' perceptions of KESIP's impact on capacity building? How do the perceived impact of USAID's capacity building efforts thru KESIP compare to other donors'?*

Findings: KESIP's capacity building efforts are directly aligned with the SOW. KESIP has now delivered more than 50 courses to nearly 900 trainees. KESIP Project Managers have received written and oral feedback from key internal stakeholders. They report that participants completed course evaluations which generally described their training as valuable and useful for their jobs. On a 5 point scale, most trainees scored the training they had received as a 4. There is now said to be an active waiting list of people who are anxious to sign up for new training. Most feedback reportedly shows that focused skill building workshops worked well and have supplemented on-the-job training that DABS and KEDS personnel have been receiving from embedded KESIP staff.

For external stakeholders in the Kabul Metropolitan Area there are anecdotal reports of some relative satisfaction with the improved service that is beginning to be seen across Kabul, and along the NEPS route from Uzbekistan to Kabul.

Conclusions: Internal stakeholders within DABS and KED appear to be largely satisfied with the capacity building efforts of KESIP to date.

10. Staff Retention: *What percent of staff that have been trained remain employed at DABS? What factors affect the retention of staff?*

Findings: KESIP Project Management report that retention is about 75%, with most turn-over coming with higher level staff that have been hired as new managers. For lower and mid-level staff, the retention rate is higher. KESIP Project Management attribute the turn-over for higher level staff to the relatively politicized roles that some new managers are placed in. For example, there have been four HR directors, apparently because the political pressures on the incumbents in this position. Project management report that turnover happens almost exclusively among male trainees. Women don't serve in such pressure cooker positions at DABS.

Conclusion: Staff turnover for lower and middle level positions generally seems relatively low. As people have more education, however, they also have more opportunities for other employment. In DABS, this pattern may be compounded by internal political pressures on higher level staff.

11. PMPs & Gender Outcomes: *Have Mission and project PMPs captured the results of capacity building activities. How are gender outcomes reflected in the PMP for DABS?*

Findings: Employee appraisals are reportedly being introduced to DABS to include development planning. A pilot is reportedly under way and will be completed soon. The results of capacity development will be documented in these plans. For Women, no specific gender goals or plans have been set, so they are not reflected in KESIP's capacity development efforts to date, although within DABS a new gender advisor has recently been hired.

Conclusions: TBD, if/when PMP is produced.

12. Sustainability: *How sustainable will the Project's capacity building activities be after the completion of the Project?*

Findings: KESIP project management is working to create a unit within DABS that can take on the role of leading capacity development efforts. While DABS has nominally separated from the Ministry of Energy and Water, there continue to be residual tensions between the two organizations, which creates some problems for DABS.

Conclusions: Building capacity for an organization like DABS is going to require sustained support, and further investments, probably from multiple donors. It will take several years for DABS to become a self sustaining organization. Full sustainability may also require some adjustments in the national tariff structure. Without the ability to charge market rates for the electricity that it is providing, it may be impossible for DABS or KED to become fully self-sustaining.¹⁰

¹⁰ DABS' CEO described a series of cross subsidies. Poor people using limited amounts of power get a heavily subsidized rate. "Tariffs are a measure of social justice," said the CEO. People using up to 700 kWh get a modest rate. People using greater quantities of power are charged higher rates. Corporate customers apparently are charged still higher rates, which in turn are used to subsidize power costs for poorer Afghans. And the Government of Afghanistan pays a rate of approximately 10 af\$ / kWh, which helps to subsidize operations. It was implied that these various cross-subsidies somehow cover the operating costs for the utility, making it possible to be nominally self-sustaining, provided the capital costs for new equipment continues to be provided from external sources like bilateral and multilateral donors.

DABS, Part II: Afghan Energy Capacity Building Program (AECB)

1. Background and Overview

The Client: Da Afghanistan Breshna Sherkat (DABS) is the national power utility of the Government of Afghanistan. Its mission is to “provide safe and reliable power –at reasonable rates– to facilitate national economic growth with integrity, transparency and efficiency.” DABS is a government owned corporation which is responsible for providing power on a commercial basis to municipalities – usually provincial capitals -- across Afghanistan. It has a presence in all 34 Afghan provinces, at 85 locations, and is structured around 7 major hubs, (Herat, Jalalabad, Mazar, Kandahar, etc) which in turn oversee subsidiary power utilities in smaller towns. In 2001, Afghanistan produced 430 megawatts of electricity. Today the country produces more than 750 megawatts. Afghanistan generates approximately 40% of its electricity domestically, while importing the balance. DABS is responsible for the domestic generation of power, as well as for transmitting and distributing all of Afghanistan’s electric power, including that which is imported from neighboring countries to customers. The organization has a staff of more than 6,000. In 2009, the Government of Afghanistan transferred all assets, liabilities, and personnel from the troubled, state-run power utility Da Afghanistan Breshna Moasesa (DABM) a precursor national public utility to the newly corporatized DABS. This was a significant initiative to modernize and commercialize the national electricity sector.

The Project: In July, 2008, USAID launched the Afghan Energy Capacity Building Program (AECB) with a goal to provide technical, managerial, and administrative capacity building to the Afghan energy sector, focused primarily on the electrical sector. The project duration was for 3.5 years, until January, 2012. The Project was designed to work with the Ministry of Energy and Water, Da Afghanistan Breshna Sherkat, and with an MEW vocational training center, with an overall budget of \$18.7 million dollars. The contract’s SOW says the objective was “provide the training needed to support the Ministry of Energy and Water (MEW), including ...DABM/S” and “...continue on-going training of ... DABM [DABS] staff to improve existing operations in the sector.”¹¹ Over its project life, it is estimated that approximately 55% of total contract funds will be spent on DABS, or approximately \$10.3 million, of which more than 90% is estimated to have been directed at capacity building for DABS, with the term ‘capacity building’ being somewhat broadly defined. Much of AECB’s work with DABS has been directed at providing DABS technical staff in the Greater Kabul area and along the right of way for NEPS, with mentoring and On-the-Job training, as well as computer and English proficiency at three hydropower plants, major Kabul substations and DABS power utility personnel in Kandahar.

For DABS staffing over the duration of the project, AECB has had eight long-term expatriate advisors, one senior transmission advisor including one senior planning advisor, and six

¹¹ At the time the SOW was written, DABM (what was to become DABS) was still part of MEW. It was restructured to become a government owned corporation in 2009.

substation O & M advisors, as well as two senior transmission/training short-term advisors. Long term staff was comprised of one South African senior transmission advisor, a Nicaraguan senior planning advisor, and six Tajik substation O&M advisors who were all former senior employees of the Tajikistan Utility, Bark-i-Tojik. Short term advisors included one U.S. senior high voltage transmission specialist, and one Indian senior power systems specialist with a background in training. All computer and English training was carried out with 23 local Afghan staff. All training staff and advisors were embedded at DABS.

2. AECB's Approach to Capacity Building: *What specific capacity building skills has AECB introduced?*

Findings: AECB has provided more than 1.1 million instructional hours to specialists working in the electrical sector, of which AECB estimates that 430,000 instructional hours were provided to DABS personnel. Much of this formal classroom-like training was for English and computer training for DABS staff. In addition, AECB sent 51 graduate Electrical Engineers abroad for post-graduate training courses, as well as, 20 DABS Engineers and technicians to India for specialized training on Substation Protection, Communication Equipment. and maintenance of Substation Equipment and Transformers. AECB personnel also supported the North East Power System (NEPS) by training DABS personnel in NEPS systems operational management, and 220 kV high tension O & M. It trained DABS personnel in commissioning 110 kV substations. And for the lower tension 20 kV off-takes from the High Tension lines, AECB trained DABS staff in line construction, project planning, materials management, and line route selection. In addition to formal classroom training, AECB played a special role working with NEPS substations, to maximize the number of Afghan households directly connected to the NEPS substation feeders. For this work, AECB embedded 6 Farsi-speaking Tajik electrical Extra High Voltage substation specialists who worked on a day to day basis with DABS personnel in the substations. The Tajiki engineers provided hands on training in operating the 220 kV circuit breakers, line isolators, and appropriate substation O & M as well as appropriate safety procedures. An advisor assigned to the DABS/Kabul Planning Office mentored DABS planning staff, and helped to introduce new planning design tools like auto-cad, GPS systems, GIS systems, etc, as well as, exposing the DABS Kabul Distribution Center to "economic dispatch", showing how optimum use of local power and NEPS power could save DABS over \$200,000 per day. AECB also established a diesel generator training facility, with a diesel generator which could be torn down and rebuilt, 20 DABS staff participated in this training.

Conclusions: AEDB has helped to build important skills for DABS staff. Most all of the new equipment being installed for managing electrical components in dams and along the High Tension NEPS line is high tech, and requires a good command of computers. Since the operating software gives prompts in English, operators must read English to do their job. English language and computer training are important elements for managing the electrical systems, particularly for the High Tension NEPS system. Safe and prudent operations of NEPS sub-

stations is key, and the use of embedded Farsi speaking Tajik staff who provided on-the job training appears to have played an important role in improving the operations of the substations, while also making it possible for these substations, in turn, to extend power to significant new populations.

3. Management Systems: *What management systems has AECB introduced? What management systems seem most effective? Why? Which have been least effective? Why?*

Findings: Much of AECB's work has involved skills training in English and computers, which does not directly involve management systems, but is an important tool that electrical engineers and technicians must understand in order to manage the computerized power systems being installed in DABS facilities around the country. AECB has also sent 51 graduate Electrical Engineering students in two groups out of Afghanistan for formal post-graduate training abroad in key utility disciplines. In terms of specific management systems, AECB has worked extensively with three main NEPS substations and one NEPS switching station along the NEPS route between Uzbekistan and Kabul, with plans to continue on out of Kabul and connect to the Southern Electrical Power System (SEPS). Six embedded Tajik electrical engineers, working exclusively through On The Job training for nearly two years, helped introduce standard international practices for utility substation operation and maintenance systems. This work reportedly helped change the operational culture of these substations, introducing new practices, as well as training DABS operators in how to manage the new 220 kV power coming from Uzbekistan. The senior transmission advisor worked closely with DABS staff, a key group of 34 linemen to help them plan, procure, and install 68 km of 20 kV line and other small 20 kV systems supplied from NEPS 220 kV substations, and brought electricity to Afghans in towns like Aybak (110,000 people,) Khulm (80,000 people), greater Charikar in Parwan Province (240,000 people and Wardak Province, (25,000 people.) This meant that DABS was able to provide power to more than 450,000 new customers along the NEPS route, before the power ever reached customers in Kabul. The key group of 34 linemen continue to build small distribution systems along the Charikar 20 kV line and other 20 kV lines that provide Afghan villages with dependable NEPS power. They were also trained to become trainers, in order to train other DABS staff.

Conclusions: AECB has supported the development of important management systems involving the use of computers for managing power systems. It has also helped in significant ways to introduce improved Operations and Maintenance systems to several key sub-stations along the NEPS right of way, which in turn now provide power to more than 450,000 new customers.

4. Project Costs: *How much has USAID invested in capacity building through AECB for DABS? What do respondents say about the effectiveness of this investment(s)?*

Findings: The total value of the AECB project was \$18,746,495. Of this total, AECB estimates that approximately 55% was directed at work with DABS, or approximately \$10.3 million. They

further estimate that of this \$10.3 mil, more than 90% was spent on capacity building. Thus, somewhat more than \$9,000,000 was spent on DABS, or which 15 % went to fund training in English and computers, 20 % went for formal classroom training for post-grads and DABS staff abroad, 45 % went for short and long term transmission/planning advisors doing specific OJT training, and 20 % went to fund informal or on-the job capacity building for the sub-stations along the NEPS route, using embedded Tajiki advisors. AECB has also held three Intern Programs, primarily for final year students from Kabul University and Kabul Polytechnic. Approximately 300 students have participated and received on-site briefings at DABS' Kabul substations and junction stations as well as the hydro power plants supplying the Kabul grid system. This has reportedly been well received by the college students and engineering faculty. This intern program is held when the students are on their three month winter break.¹²

Conclusions: The training that AECB did was important for the overall safe and prudent Operations and Maintenance of the NEPS system, with a particular focus on the various substations along the right of way. The cost per classroom training hour (approximately \$7.00¹³) appears reasonable, while the use of embedded Tajiki advisors to improve the operations of the three NEPS substations, one switching station and five 110 kV substations in Kabul that connects to the NEPS system seems to have been very cost effective. AECB has clearly contributed to building capacity at DABS.

5. Project Assessment and Design: *Have project assessment(s) and/or design efforts addressed other factors (separate from capacity building) that affect DABS staff performance to remove barriers to performance?*

Findings: No major factors separate from capacity development were identified that helped DABS staff to remove barriers to performance. However, introducing modern technology management systems, and training DABS personnel in international utility standards reportedly has allowed better-trained DABS personnel to rise to more important position.

Conclusions: DABS may have moved towards a more technocratically based meritocracy as a consequence an increased need for higher technical standards to operate the new high tension systems, and the training that is required to manage such systems.

6. Gender Considerations: *Did gender issues serve as a barrier to building capacity?*

Findings: The overall staff of DABS is more than 6,000. Of this it is estimated that fewer than 5% are women. However most of these women are in clerical, administrative, or planning positions in the headquarters offices in Kabul. There are essentially no women working in substations. Because AECB was working almost exclusively with the technical components of

¹² Security costs for expatriate advisors has been expensive. Security typically adds an additional \$1,000 per day for a senior expatriate advisor to work outside Kabul along the NEPS route.

¹³ Formal training appears to represent about 35% of \$9,000,000, for 430,000 instructional hours. (= \$7.30 / hour.)

DABS, it has had almost no involvement with women. Two women were enrolled into the computer and/or English language training. Three women graduate Electrical Engineers were proposed for international training in India, but after checking with their families, only one of these women was actually allowed to go to India for training.

Conclusions: Within the Afghan culture, DABS work in the power sector is a male dominated industry. Relatively few women work for DABS, and few if any work on the technical aspects with which AECB was working. It is not surprising that DABS found it hard to find women to train.

7. Skill levels: *How were DABS staff skill levels evaluated to determine where gaps existed and what types of training or capacity building was needed. What standards were used for this evaluation? Were the evaluation efforts handled appropriately? Were capacity building standards consistent across USAID projects working with DABS? Did the skills assessment consider other donors' capacity building activities?*

Findings: AECB used a flexible velvet glove in selecting trainees. All training generally involved staff who were working full time, which often limited availability of potential trainees. To establish a positive relation with DABS, AECB essentially enrolled anyone that DABS proposed, and they worked with whoever was in a particular job position. They report that they tried to bring a large measure of cultural sensitivity to working with trainees. For example, the average age of their trainees was 40+, and many of them might have been managing a hydro-station for the past 20 or more years, but they had no English, and knew nothing about computers. At the same time, trainers typically were young people. It was important for young people to show suitable respect for the older people who were being trained. In one or two situations, AECB replaced the trainer at the request of DABS Management, always viewing DABS as the customer.

Conclusions: Since AECB had no mandate or leverage with which to make changes in DABS personnel, it appears to have adopted a reasonable strategy for working with existing DABS staff, and not trying to work just with individuals who might have been more receptive to training.

8. Delivery of Services: *How have AECB's capacity building activities contributed to the technical ability of DABS. to provide improved services to their customers?*

Findings: AECB's training in English and computers is central to allowing power operators the capacity to manage the new computer control systems that typically provide system information in English, which are being installed around the country, including the dams on the Kabul River, and the various components of the NEPS system. Further, AECB trained the DABS staff in three NEPS substations, one switching station, and five Kabul 110 kV substations, through both formal and extensive on-the-job training. AECB also sent 71 trainees out of the country for additional technical training, and site visits.

Conclusions: while most of the credit for the improvements in the delivery of better power to a few million new customers through the NEPS system belongs primarily to NEPS, AECB played an important enabling role with their training. They also succeeded in upgrading the safety and quality of the Operations and Maintenance of 9 key substations. This helped build capacity within the DABS organization, particularly within the NEPS system.

9. Perceived Impact of Capacity Building Efforts: *What are stakeholders' perceptions of AECB's impact on capacity building? How do the perceived impact of USAID's capacity building efforts thru AECB compare to other donors'?*

Findings: Neither AECB nor DABS conduct surveys of people's attitudes towards the institution's performance. Further, there is no hard data on trainees' judgments about AECB's work in capacity building. AECB did a limited follow up on the first 21 graduates it sent for higher training, and found that they were all employed, although not all were employed by DABS. There are also anecdotal reports of linemen who were trained on the 220 kV line working successfully, after they completed their training. Further, there is a time lag after people get training before there is a measurable improvement in service delivery. However, if stakeholders are defined broadly, there is substantial anecdotal evidence suggesting that people in Kabul and along the NEPS right of way are happy to be getting additional and more reliable power from DABS, and AECB has contributed to DABS capacity to deliver this power.

One example of a stakeholder's perception: With the help of an AECB advisor, the DABS high tension 220 kV line from Uzbekistan to Kabul was "back powered" onto a 20 kV line into Charikar, in Parwan province, and four distribution transformers were provided with imported Uzbek power 24/7. Charikar has a population of about 100,000. At the time of dedicating this system, the Governor of Parwan said, "*Now, development regarding electricity has come to my people for the first time.*"

Note: there needs to be meetings with DABS senior management. COO should be able to verify that many staff have significantly improved their utility skills.

Conclusions: [this needs follow up with DABS.]

10. Staff Retention: *What percent of staff that have been trained remain employed at DABS? What factors affect the retention of staff?*

Findings: At the operations level, AECB estimates that retention is higher than 90%. Higher up the chain, however, with engineers or staffs who hold degrees, those who are sent off for training come back and have a wider range of options. Sometimes they apply for positions with DABS and may not hear back in a timely manner. Some of them end up going to work for other organizations and/or for the private sector.

Conclusions: as with other organizations studied under this capacity building assessment, staff with less education tend to stay where they are after they have been trained. Those with higher levels of training tend to drift off into other areas.

11. PMPs & Gender Outcomes: *Have Mission and project PMPs captured the results of capacity building activities. How are gender outcomes reflected in the PMP for DABS?*

Findings: AECEB tracks instructional hours very closely. This is one indicator for capacity building. Data on women working in connection with DABS is relatively obscure. Under the PMP, Item 6.3.1c, “Number of people receiving USG supported training in energy related business management systems, the PMP reports a baseline (presumably 2010) as follows: males, 847, females 94. For 2011, it shows a target of 990 males and 110 females. It’s not clear how many of them may have been connected with DABS.

Conclusions: Capacity building is far more than just instructional hours, or training. Perhaps because the data from the PMP is somewhat disaggregated, the PMP system doesn’t appear to be fully capturing the overall impact or results of efforts to build capacity within DABS. There are relatively few women working in DABS, and the PMP system seems only to identify them nominally. From the data in the PMP, it’s not possible to know whether they were trained for DABS, or for MEW, or for some other organization. **More significantly, most of the work of AECEB, and other projects working with DABS is really ‘capacity building.’ The totality of this impact is not being captured by current PMP reporting systems.**

12. Sustainability. *How sustainable will the Project’s capacity building activities be after the completion of the Project?*

Findings: Trainees were trained in English and computers, which they immediately started using on the job, sometimes even before their training was complete. In addition approximately 9 sub-stations or related facilities were modernized, and new operations and maintenance systems and procedures were introduced. DABS staff applied much of the classroom training immediately to their day-to-day work. Much of the capacity building at the substations was a combination of formal training reinforced by on-the-job training from embedded Farsi speaking Tajiki counterparts.

Conclusions: Most of the training and capacity building that AECEB directed at DABS staff is being used within DABS, and will continue to be used indefinitely. The new electrical systems are run by computers, and the DABS staff have now been trained to use these computers. Within the sub-stations, there seems to have been a change of the internal corporate culture. Before the Tajiki engineers came, the stations were not kept clean, or routinely managed according to international best practices. Today, these new practices have been internalized, and it seems reasonable to expect this to continue for the indefinite future.

Building real capacity in an organization like DABS, however, which has suffered through 30 years of war takes a long time. Until recently, staffs were using technologies that dated from the

1960s and 1970s. AECB staff point out that a realistic time line for doing capacity building in DABS would probably take 7 to 10 years.

Sustainability and Tariff Rates: And another issue relates to real sustainability, which goes far beyond the work of AECB, but is important for DABS. This issue involves the tariff structure. While collection rates have improved substantially over the past couple of years, the tariff is still not in conformity with market prices. Uzbek power flowing into the NEPS system costs \$0.6 cents / kilowatt hour. Delivered to customers across Afghanistan it costs about \$0.9 cents per kWh. However, the approved tariff is somewhere around \$0.3 – 4 centers per kWh, depending upon usage rates, customer categories, etc. For DABS itself to become sustainable, this issue of tariffs will eventually need to be addressed. This matter goes beyond DABS, to Parliament, the President’s office, and other policy making organs of the Government.

DABS, Part III: Kandahar Commercialization (Task Order 22)

1. Background and Overview

The Client: Task Order # 22 (“Kandahar Commercialization”) is working with a municipal power utility which is a subsidiary branch of DABS Kabul Headquarters. (DABS is the acronym for Da Afghanistan Breshna Sherkat or Afghanistan’s National Public Utility for Electricity.) DABS/Kandahar has a nominal staff of 423 personnel, which includes 94 employees and 331 contract staff. This staff is exclusively male. DABS/Kandahar is responsible for generating and distributing approximately 30 - 35 MW of power to customers, from diesel generators and hydropower. As the power utility for the City of Kandahar, DABS/Kandahar currently provides electricity to approximately 50,000 registered customers, all of whom are nominally metered. However, an unknown number of additional ‘customers’ are not metered, and use unofficial connections to secure power for which no payment is made. In theory DABS/Kandahar bills customers for power delivered, and uses this revenue to cover its operating costs. It is somewhat representative of the various sub-offices of DABS which are located in many provincial capital towns and cities around the country.

The Project: TO 22’s overall objective is to help build the capacity of DABS/Kandahar to make it into a viable, sustainable organization. At the same time, TO – 22 is working in an active war zone. The Scope of work explicitly states “Electrical commercialization progress in Kandahar City is important to achieving Counterinsurgency (COIN) effects as well as longer term development needs.” It goes on to say, “Continuing commercialization activities are crucial to bolstering the USG’s ongoing Kandahar City distribution, rehabilitation, and expansion project.” The Task Order commenced work in Kandahar in August 2010, and will cease work December 31, 2011. (17 months) The Task Order has a budget of approximately \$7 mil, of which \$1.5 was spent in Kabul, before TO- 22 was shifted to work exclusively in Kandahar. Of the remaining \$5.5 mil, more than 90% is estimated by Task Order staff to be dedicated to building capacity, using the term “capacity building” somewhat broadly. In terms of staff, TO 22 has four expatriates, and eight Afghans who have been assigned to Kandahar since May 2011. While the

project nominally shifted from Kabul to Kandahar in August, 2010, most staff did not arrive until June, 2011. The Task Order will now end in less than six months. This delay in moving to Kandahar was based upon the initial end date of the project on 9 May 2011. Because of this end date, no staff could be appointed until an extension was officially received. Temporary extension was received in the first week of May and a formal extension to 31 December was received in June, 2011

2. Capacity Building Skills: *What specific capacity building skills has TO – 22 introduced?*

Findings: TO – 22 has trained 40 – 50 individuals in English and Information Technology. For the most part, the same people have been trained in both subjects. The pass rate for training that has been offered is reportedly low. Many trainees reportedly are not interested in the training they are getting.

Conclusion: [While TO – 22 has tried to introduce a variety of skills, the human resource base within DABS/Kandahar is quite limited. English proficiency and computer literacy are both limited. Staff in many cases are not motivated to take advantage of skills training, or to use the skills they may have been taught. While TO 22 has tried to provide tools, there are almost no counterparts who are available for training, reportedly “because it disrupts their systems.”

3. Management Systems: *What management systems has TO – 22 introduced? What management systems seem most effective? Why? Which have been least effective? Why?*

Findings: At the level of software, TO – 22 has tried to set up capacity building systems involving Human Resources, Customer Care, Financial Management, Inventory Management Revenue Management (Billing) and Asset Maintenance. Currently – apart from the computerized bill printing introduced by TO-22 – most all systems being used by DABS/Kandahar are paper systems, which are cumbersome and hard to use. At the same time, Project reports repeatedly state that it is hard to find qualified staff in Kandahar to train on new management systems, because of resistance from the DABS/Kandahar Senior Management. The existing organization is largely staffed with older individuals who in many cases have worked for a long time with DABS/Kandahar, and now find it hard to convert over to working with new IT based management systems.

While the new computer-based systems have nominally been set up, TO 22 staff say it has been very difficult to gain any meaningful traction, or even to secure people to train or work with. A project memo (26 Jan, 2011) reports that DABS/Kandahar, “is out of control and any attempt to transform it should be done keeping in mind the limited skills of staff and management ... as well as the language barrier that exists between TO 22 and the client organization.” The same memo goes on to describe the situation, saying that DABS/Kandahar has, “No Information Technology department, and no IT skills. All administrative and financial business processes are manual. Management information is limited with inadequate controls. The organizational structure is dysfunctional. The current CEO is not in control. Meters and meter boxes are

mostly beyond repair.” It further says, “We have not had authorization to implement proposed structural[al] and required skilled personnel [changes.]”

Conclusion: TO-22 has tried to introduce a range of management systems to improve utility operations, but there is deep seated resistance to change within DABS/Kandahar, and a strong incentive to preserve the existing systems approximately the way they are. The larger corporate culture of DABS/Kandahar is not well disposed to change.

4. Project Costs. *How much has TO -22 invested in capacity building? What do respondents say about the effectiveness of this investment(s)? How cost-effective were these approaches?*

Findings: TO 22 started with a budget of approximately \$7 mil, of which approximately \$5.5 mil has been devoted to DABS/Kandahar, after the project was redeployed from working with DABS/Kabul. Project staff now estimate that more than 90% of the \$5.5 mil has been directed at ‘capacity building,’ if this term is used broadly meaning efforts to build capacity across the organization, including improved metering, billing via SMS cell phone systems, Information Technology improvements, etc. In terms of formal line items (i.e. classroom training), however, the money nominally allotted for ‘capacity building and training,’ is less than 1% of the total budget, since training for the most part is “on the job” and not formal classroom training.

Conclusions: Seeds sown on infertile soil rarely germinate. DABS/Kandahar has not proven to be a hospitable environment for capacity building. There is strong resistance to the kinds of changes that TO – 22 is designed to provide, and the Senior Management of DABS/Kandahar appears to be passively waiting for TO – 22 to end so they can continue to work as they are accustomed to working.

5. Project Assessment and Design: *Have project assessments or designs addressed other factors that affect DABS/Kandahar staff performance as it seeks to remove barriers to performance?*

Findings: The Task Order’s contract modification dated 5/3/2009 reports, “at present DABS Kandahar is severely under equipped with deficiencies in basic office, vehicle, and safety equipment that results in inadequate conduct of business on a daily basis.” To address this TO – 22 was instructed to procure 47 desktop workstations, 1 utility pickup, and various other electrical and electronic devices.

Conclusions: TO – 22 has sought to address other factors that affect staff performance, but the larger corporate culture appears to have limited the utility of the equipment that was provided.

6. Gender Considerations: *Were gender issues a barrier to building capacity?*

Findings: Staff of DABS/Kandahar consists of 423 men, and 0 women. Many cultural issues make it hard (i.e. life threatening) for women to work in Kandahar today. One Afghan woman was working with TO – 22 in Kabul, but she had to resign because she could not move down to Kandahar.

Conclusion: From a western perspective, gender issues can be said to have been a barrier to building capacity in Kandahar. From a Kandahari perspective, of course, local men believe that women belong in the home, and not in the workplace.

7. Assessing Skill Levels: *How were DABS/Kandahar staff skill levels evaluated to determine gaps and what types of training or capacity building was needed. What standards were used for this evaluation?*

Findings: TO – 22 staff report that they tried to conduct typical needs analyses, but that they effectively were precluded from doing a formal needs assessment by the prevailing organizational dynamics.

Conclusion: It appears that DABS/Kandahar did not want a formal needs assessment conducted, perhaps as part of their efforts to block meaningful corporate change, or any potentially meaningful moves towards effective commercialization, loss reduction, etc.

8. Improving the Delivery of Services: *How have TO- 22's capacity building activities contributed to the technical ability of DABS/Kandahar to provide improved services to customers?*

Findings: TO 22 staff report significant passive and some active resistance to capacity building activities from a number of senior management staff. At the same time, they say lower level staff have shown some eagerness to learn when not in the presence of senior management. While there had been extensive discussions with the CEO about the proposed new program activities starting in November of 2010, for example, when TO – 22 moved down to Kandahar in June, he reportedly hadn't even mentioned the project to other DABS/Kandahar management personnel.

Conclusions: TO – 22's work to build organizational capacity within DABS/Kandahar has not been well received by senior-level stakeholders within the organization. This has severely limited the abilities of TO – 22 to improve capacities within DABS/Kandahar, which in turn limits the abilities of DABS/Kandahar to provide improved services to customers. It appears that DABS employees have many vested interests and incentives to keep technical and commercial systems in their present state of disarray, because they directly benefit from this existing condition. The incentives for stasis outweigh the incentives for change, and there is no external political will supporting change. Capacity building has to start with good leadership, and this is not present.

9. Perceived Impact of Capacity Building Efforts: *What are stakeholders' perceptions of TO -22's impact on capacity building?*

Findings: Neither TO-22 nor DABS/Kandahar have conducted any formal stakeholder surveys. However, Project staff report anecdotal evidence of people's continued frustrations with DABS/Kandahar, and the quality of the service that is being provided. It reportedly can take up

to 8 hours simply to pay one's electric bill. It can take 3 weeks to get a meter installed; including various unofficial fees, depending upon the amount of energy the new customer would be using.

Conclusions: The impact of USAID's capacity building activities at DABS/Kandahar has been negligible, largely because of internal resistance within DABS/Kandahar to opportunities for capacity building or corporate change. The existing staff have strongly developed incentives to preserve the current systems for doing business, and thus show little interest in changes, which could impact upon them negatively.

10. Staff Retention: *What percent of staff that have been trained remain employed at DABS/Kandahar?*

Finding: Nominally, approximately 100% of the staff who have been trained continue to be employed by DABS/Kandahar.

Conclusions: DABS/Staff are poorly motivated when it comes to accepting capacity building or corporate change since there is no clear leadership from top management and very little incentive. If DABS/Kandahar wanted to seriously "build capacity," it would need to find ways to retire some of the current staff, and bring in new staff. At the present time, however, capacity building efforts to date in a complex environment like DABS/Kandahar have essentially no impact upon staff retention.

11. PMPs & Gender Outcomes: *Have Mission and project PMPs captured the results of capacity building activities. How are gender outcomes reflected in the PMP for AUWSSC*

Findings: TO – 22 staff report that there are no women on the staff of DABS/Kandahar, and none working for TO 22 in Kandahar. Thus no women are in training workshops. No data is available regarding females who may benefit from improved services.

Conclusions: Since there are no women employed, there are no results for capacity building activities that relate to women. Further, since virtually every Afghan woman in Kandahar is effectively house-bound, there are no meaningful gender activities to report.

12. Sustainability. *How sustainable will the Project's capacity building activities be after the completion of the project?*

Findings: Most electric power provided in Kandahar currently comes from diesel generators. The operating cost per kilowatt hour for diesel generated power is more than 25 cents KWh. Depending on the cost of diesel fuel, the actual cost when amortization, maintenance of infrastructure, and infrastructure expansion is included is probably close to 40cents KWh. The current average tariff is 9cents per KWh. Further, the actual recovery of money owed by customers is in the neighborhood of 42%. This is the reason for TO-22's efforts to increase collections. In order for the electric power being provided to customers to become sustainable, the Government of Afghanistan would have to increase the tariff by approximately 600%.

Conclusions: TO – 22 is working inside an organization that is not functional or sustainable as currently structured. The Work Plan, (p 5) reports, “The current tariff structure that is used to bill consumers is insufficient to recover operating costs, even if all users were to pay for the electricity that they are consuming – which is not the case.” The central Government which sets tariffs, for its part is not prepared to increase the electricity rates by 600%. Further, the senior management of DABS/Kandahar have other agendas than to rationalize the management systems of the utility, or commercialize its finances. There is both passive and active resistance to most all proposed changes. The work plan also points out the obvious: (p 11) “Without the right caliber staff, it will not be possible to achieve the desired outputs.”

And it further observes, (p 13) “it is not possible to implement a commercialization process within seven months. Senior TO 22 management say that a realistic time frame would be more than 36 months from January 2011 to at least January, 2014] for [DABS/] Kandahar commercialization. The work plan goes on to state, “Because commercialization is an exercise in human behavior modification, both from within the organization and outside the organization where we are attempting to change consumer behavior, it requires more time than technical solutions.” Thus the observation that, “commercialization takes at least three years in a functioning country.”

On balance, there is no compelling evidence suggesting that most of TO – 22’s attempted capacity building efforts will prove sustainable, largely because of the larger organizational culture in Kandahar and the inertia of DABS Kabul to make necessary changes to management and organization structure. The issues is wider however because there are also political influences that even DABS Kabul has no control over. Organization change projects need to have quick and decisive capabilities for making the changes required. In the absence of that, results are inevitably disappointing.

VIII. Appendix D: Contact List

Interviews/Meetings with USAID						
#	Date	Full Name	Title	Org/ Loc	Phone	Email
1	20 Jun11	Christopher Edwards	OPPD Director	USAID/A	0799 822 350	chedwards@usaid.gov
2	20 Jun11	Craig Hart	OPPD Deputy Director	USAID/A		chart@usaid.gov
3	20 Jun11	Sayed Aqa	SUPPORT COTR	USAID/A	0700 281 773	saqa@usaid.gov
4	20 Jun11	Earl Gast	Mission Director	USAID/A		
5	20	Liz Davnie-	Evaluation Officer,	USAID/A	0799 822	edavnieeaston@usaid

	Jun11	Easton	OPPD		352	.gov
6	20 Jun11	Claudia Pastor	M&E specialist, OPPD	USAID/A	0794 858 529	CPastor@usaid.gov
7	27Jun 11	Susan Coleman	Program Economist, EGGI- COTR	USAID/A	0797 425 059	slcoleman@usaid.gov
8	27Jun 11	Zdravko Sami	Business Development and Competitiveness Team Leader	USAID/A	0799 794 675	Zsami@usaid.gov
9	27Jun 11	Maria Elena Barron	Director/ODG	USAID/A	0793 550 139	mbarron@usaid.gov
10	27Jun 11	Goranka Cop Henegar	Stabilization officer	USAID/A	0700 234 238	ghnegar2@usaid.gov
11	27Jun 11	V.Kate Somvongsiri	Rule of Law Team leader	USAID/A	0793 550 129	vsomvongsiri@usaid.gov
12	27Jun 11	Eric Pulliam	Donor Coordinator	USAID/A	0799 794 677	EPulliam@usaid.gov
13	27Jun 11	Ron H Rabun	Governance Advisor	USAID/A	0798 275 736	RRabun@usaid.gov
14	27Jun 11	Marc Ellingstad	Governance Team Leader	USAID/A	0797 425 082	mellingstad@usaid.gov
15	27Jun 11	Susan Kutor	Business Development and Trade Division Chief	USAID/A	0700 234 205	SKutor@state.gov
16	27Jun 11	Mohammad Farid Farid	Development Program Specialist	USAID/A	0797 777 315	MFarid@usaid.gov
17	27 Jun11	Tamara Barabadze	POC, KESIP and TO -22 (Kandahar Commercialization)	USAID/A	079 465 8534	tbarabadze@usaid.gov
18	28 Jun11	Lisa Childs	AOTR / HSSP	USAID/A	0799 187 526	lchilds@usaid.gov
19	28 Jun11	Sarah Mayanja	AOTR / HEP	USAID/A	0700 078 697	smayanja@usaid.gov
20	28 Jun11	Moh. Iqbal Roshani	AOTR / BASICS III	USAID/A	0799 794 670	iroshani@usaid.gov

21	28 Jun11	Renu Jain	AOTR / BESST	USAID/A	0797 777 309	rjain@usaid.gov
22	28 Jun11	Moh. Faiz Momand	AOTR /TEC- Serve	USAID/A	0799 187 515	fmohammad@usaid.gov
23	28 Jun11	Moh. Iqbal Halimi	AOTR /LCEP-2	USAID/A	0799 328 095	ihalimi@usaid.gov
24	28 Jun11	Dr Gul Afghan Saleh	COTR- CAWSA, AOTR- DABS	USAID/A	0700 276 6307	gasaleh@usaid.gov
25	28Jun 11	V.Kate Somvogsiri	Rule of Law Team Leader	USAID/A	0793 550 129	vsomvongsiri@usaid.gov
26	04 Jul11	Moh. Iqbal Halimi	AOTR /LCEP-2	USAID/A	0799 328 095	ihalimi@usaid.gov
27	26Jul 11	Sayed Torak	COTR-TO-14	USAID/A	0700 23 42 40	Storak@usaid.gov
28	10 Jul11	Sarah Mayanja	AOTR/HEP	USAID/A	0700 078 697	smayanja@usaid.gov
29	10 Jul11	Fatima Toure	Education Advisor	USAID/A	0794 858 542	ftoure@usaid.gov ftoure@state.gov
30	10 Jul11	Moh. Faiz Momand	AOTR /Tec- Serve	USAID/A	0799 187 515	fmohammad@usaid.gov
31	10 Jul11	Moh. Iqbal Roshani	AOTR / BASICS III	USAID/A	0799 794 670	iroshani@usaid.gov
32	25Jul 11	Michael Stewart	APPF Team Leader	USAID/A	0705 191 968	mjstewart@usaid.gov
33	26Jul 11	Goronka Henegar	COTR/PBGF	USAID/A	0700 234 238	ghenegar@usaid.gov
34	26Jul 11	Idrees Illham	COTR/ELECT	USAID/A	0700 234 244	illham@usaid.gov
35	26Jul 11	Claudia Pastor	M&E specialist, OPPD	USAID/A	0793 550 138	PastorCM@stat.gov
36	26Jul 11	Ginger Waddell	Deputy Director, OPPD	USAID/A	0799 822 352	vwaddell@usaid.gov
37	27Jul 11	Ted Lawrence	Sen.Parliamentary and RoL Advisor, ODG	USAID/A	0794 858 517	ELawrence@usaid.gov
38	22Jun 11	Cynthia Huger	On-budget Manager/OPPD	USAID/A	0795 425 082	chuger@usaid.gov
Interviews/Meetings with USAID-Funded Implementers						

1	22Jun 11	Robt E. Katz	D/COP, CAWSA Project	ICMA/K	0799 721 053	robtekatz@aol.com
2	24Jun 11	Braj Sharma	Financial consultant, CAWSA Project	ICMA/K	6783 380 616	Braj.sharma@verizon.net
3	30 Jun11	Mohd Hamid	Management Advisor, CAWSA	ICMA/K	0787 724 053	mhamid@icma.org
4	30 Jun11	Eng Basira	Water Engineer, CAWSA	ICMA/K	N/A	Ebasira@icma.org
5	30 Jun11	Eng Ghulam Naqshband	Sen. Water Engineer, CAWSA	ICMA/K	0786 568 510	gnaqshband@icma.org
6	30 Jun11	Zia Ziauddin	COP, CAWSA Project	ICMA/K	0797 952 856	zzia@ICMA.org
7	30Jun 11	William Newbrander	Project Director	MSH/K	0795 590 780	wnewbrander@msh.org
8		AB.Bangura	GCMU/PCH advisor	MSH/K	0793 190 031	abangura@msh.org
9	04Jul 11	Juan M. Estrada	Chief of Party	ACE/K	0793 141 486	jestrada@adf-af.org
10	04jul 11	Mery Beth Theisen	Senior Lending Advisor	ACE/K	0797 747 065	Mary_Theisen@dai.com
11	05Jul 11	Mark Grubb	Chief of Party	Deloitte/K	0794 009 201	mgrubb@deloitte.com
12	05Jul 11	Brain J. Foster	Senior Advisor	Deloitte/K	+1 5718825 813	briafoster@deloitte.com
13	05Jul 11	Vijaya Samara weera	Senior Advisor	Deloitte/K	0796 138 524	vsamaraweera@deloitte.com
14	05Jul 11	Samir Mohammed	Senior Advisor	Deloitte/K	+571882 5814	samohammed@deloitte.com
15	05Jul 11	Dan A. Seufert	Senior Advisor	Deloitte/K	+170394 39756	briafoster@deloitte.com
16	05 Jul11	Salem Helali	CoP LCEP 2	UN- Habitat /K	0700 289 582	Salem.helali@gmail.com
17	05 Jul11	Peter J Dalglish	DcoP	UN- Habitat /K	0794 428 577	peterdalglish@hotmail.com
18	05 Jul11	Kubra Zaifi	Gender Advisor	UN- Habitat /K	0798 292 922	Kubra.zaifi@unhabitat-afg.org

19	05 Jul11	Salem Qadery	Field Coordination Manager	UN-Habitat /K	0799 636 401	Sadery.drsaleem@gmail.com
20	05 Jul11	Najib Khalil	Teacher Accreditation Officer	UN-Habitat /K	0799 127 789	najib.khalil@unhabitat-afg-org
21	05 Jul11	Asad Daudzai	Materials Development and Training Coordinator	UN-Habitat /K	0791 611 030	Asad.daudzai@unhabitat-afg.org
22	05 Jul11	Omer Omerkhil	M&E officer	UN-Habitat /K	0791 611 035	Omer.khil100@gmail.com
23	05 Jul11	Enayat Safi	Institutional Development Officer	UN-Habitat /K	0791 611 023	enayatsafi@gmail.com
24	06 Jul11	Eng Ghulam Sakhi Akbar	Technical Director, CAWSA	ICMA/K	0798 261 514	Akbarg22@yahoo.com
25	07 Jul11	Hendrik Palm	Task Order Manager, TO 22	LBG/B & V	0799 762 320	phendrik@irp.af.com
26	07Jul 11	Khalid Sarwary	Lending Advisor	ACE/E	0795 739 628	Khalid_sarwary@adf-af.org
27	07Jul 11	Rahmatullah Seherzad	Regional value chain specialist	ACE/N	0796 147 677	Rahmatullah_sherzad@adf-af.org
28	07Jul 11	Saad Malook sherzad	Regional Director	ACE/E	0799 299 186	Ssherzad@adf-af.org
29	07Jul 11	Mohammad Sami Dost	Lending Advisor	ACE/W	0799 125 458	Sami.dost@adf-af.org
30	07Jul 11	Jawed Ahmad Khiabani	Lending Advisor	ACE/N	0700 528 282	Jawdahmad_khiabani@adf-af.org
31	07Jul 11	Shoaib Amin	Regional value chain specialist	ACE/W	0702 131 482	Mohammad_soaib@adf-af.org
32	07Jul 11	Abdul Rahman Haqdost	Regional value chain specialist	ACE/W	0700 421 114	Ab.haqdoost@gmail.com
33	07Jul 11	Jawad Habibi	Lending Advisor	ACE/W	0795 739 676	Habibi.jawad@gmail.com
34	07Jul 11	Nasratullah Sorabi	Lending Advisor	ACE/N	0799 123 451	Nasratullah_sorabi@yahoo.com
35	07Jul 11	Denalda Kuzumi	MIS Advisor	ACE/K	0797 747 041	Denalda_kuzumi@adf-af.org

36	07Jul 11	Lawrence Chris Blatnik	Credit Administration officer	ACE/K	0797 747 043	<a href="mailto:Lawrence_blatnik@da
i.com">Lawrence_blatnik@da i.com
37	07Jul 11	Bezhan Muradi	Credit Administration assistant	ACE/K	0794 071 559	<a href="mailto:Bezhan_muradi@adf-
af.org">Bezhan_muradi@adf- af.org
38	10 Jul11	Gary Staats, AECB Project	COP, AECB Project	AEAI,/K	0795 337 978	gstaats@aeai.net
39	12 Jul11	Art Sedestrom	COP, KESIP Project	Tetrattech/ K	0793 110 007	<a href="mailto:Art.sedestrom@tetrat
ch.com">Art.sedestrom@tetrat ch.com
40	12 Jul11	Lee Mazanec	HR Advisor, KESIP	Deloitte/K	0793 110 014	lmazanec@kesip.net
41	12 Jul11	Inam Kakar	HR Advisor,	Tetrattech/ K	0786 297 271	Inam.kakar@kesip.net
42	12 Jul11	Sayed Ab.Gh.Musafer	Provincial Manager	UN- Habitat /N	0797 351 646	<a href="mailto:Sayad_musafer@yaho
o.com">Sayad_musafer@yaho o.com
43	12 Jul11	Sayed.Ab.Aziz Mobariz	Provincial Manager	UN- Habitat /K	0700 218 712	smobariz@yahoo.com
44	12 Jul11	Eng.Enayatulla h	OIC	UN- Habitat /K	0799 398 442	<a href="mailto:Enayatullah_kechkan
@yahoo.com">Enayatullah_kechkan @yahoo.com
45	12 Jul11	Sayed Fayez Ahmadi	Provincial coordinator	UN- Habitat /K	0700 608 208	<a href="mailto:Safaiz_ahmadi@yaho
o.com">Safaiz_ahmadi@yaho o.com
46	12 Jul11	Islamudin Amaki	Provincial coordinator	UN- Habitat /K	0799 869 328	<a href="mailto:Islam_nsp@yahoo.co
m">Islam_nsp@yahoo.co m
47	14Jul 11	Dr.Hedayatulla h Stanekzai	Country team leader	BASICS/ K	0700 151 449	hstanekzai@msh.org
48	14Jul 11	William Newbrander	Project Director	BASICS/ K	0795 590 780	<a href="mailto:wnewbrander@msh.or
g">wnewbrander@msh.or g
49	14Jul 11	Dr.Mubarak Shah Mubarak	Chief Of Party	Tech- Serve/K	0799 410 212	mmubarak@msh.org
50	14Jul 11	Dr.Hedayatulla h Saleh	Technical Director	Tech- Serve/K	0786 446 124	hsaleh@msh.org
51	14Jul	Mrs. Sylvia	Technical Director	Tech-	0706 155	

1	11	Vriesendorp	for Management and Leadership	Serve/K	626	svriesendorp@msh.org
52	14Jul 11	Dr.Abdul Khalil Sulaimankhail	Program Manager for Hospital Management	Tech-Serve/K	0788 006 090	asulimankhil@msh.org
53	14Jul 11	Dr.Naqibullah Hamdard	Program Manager for Provincial MoPH-CB	Tech-Serve/K	0786 136 273	nhamdard@msh.org
54	14Jul 11	Douglas Palmer	HEFD Advisor	Tec-Serve/K	0795 590 775	dpalmer@msh.org
55	14Jul 11	AB.Bangura	HEFD Advisor	Tech-Serve/K	0793 190 031	abangura@msh.org
56	14Jul 11	Hedayatullah Mushfiq	Program Manager	Tech-Serve/K	0799 842 939	hmushfiq@msh.org
57	14Jul 11	Dr.Abdullah Masoud	Program Manager for Drug Management	Tech-Serve/K	0700 084 925	amasoud@msh.org
58	14Jul 11	Dr.Chris Bishop	HMIS and M&E Advisor	Tech-Serve/K	0797 874 753	cbishop@msh.org
59	23Jul 11	Faizullah Faizy	Training Program Manager	ICMA/K	0799 799 980	ffaizy@aeai.net
60	23Jul 11	Khatera Azizpour	English Instructor	ICMA/K	N/A	kazizpour@aeai.net
61	23Jul 11	George Martin	Task Order Manager, TO-14	LBG/B&V	0700 232 287	gmartin@irp-af.com
62	23Jul 11	Faridoon Noori	IT-Resource Specialist, TO22	LBG/B&V	0700 062 705	faridonnoori@gmail.com
63	25Jul 11	Mirwais Sarrah	Program Director,	CTAP/K	0700 201 191	Mirwais.sarrah@ctapafghanistan.org
64	25Jul	Moh. Akber	Sen. Financial	CTAP/K	0700 046	akbarmomand@ctapaf

	11	Momand	Mgt. Advisor		164	ghanistan.org
65	25Jul 11	Abdul Rahman Tokhi	Capacity develop Advisor	CTAP/K	0700 310 013	Abdul.rahman@ctapafghanistan.org
66	27Jul 11	Carina Perelli	COP	IFES/K	0795 994 564	cperelli@ifes.org
67	28Jul 11	Michael V. Blundell	Executive technical Director	HEP/K	0700 229 401	MBlundell@HEP-AF.org
Interviews/Meetings with Counterpart Nationals						
1	4 Jul11	Eng Ghulam Faruq	Deputy Minister for Energy	MoEW/K	0700 222269	gfaruq@yahoo.com
2	06 Jul11	Moh. Sarwar Hussaini	Deputy Minister	MoE /K	0202 103 349	Hussaini.sarwar@gmail.com
3	6 Jul11	Dr. Baheer	CEO	AUWSSC Corp.	0798 002277	Dbaheer15@yahoo.com
4	7 Jul11	Eng Mir M. Sediq	Former Minister, Mines, Former Dept. Minister, Energy	ARD	07005777 77	Mirsahib2003@yahoo.com
5	8 Jul11	Abdul Jamil Maseh	Director, SBU, Mazar	AUWSSC /N	N/A	N/A
6	12Jul 11	Assadullah Zamir	DG of Program	MAIL/K	0798 66 90 55	Assad.zamir@mail.gov.af
7	12Jul 11	Nasratullah Qaderi	Enactive assistant, planning and policy directorate	MAIL/K	0705 162 432	Nasrat.qaderi@mail.gov.af
8	12Jul 11	Farid Ahmad Mateen	DG of planning and policy	MAIL/K	0798 342 055	Farid.mateen@mail.gov.af
9	12Jul 11	Joydas Guupta	CTAP advisor	CTAP/K	0783 495 732	Gupta.joy@ctapafghanistan.org
10	14 Jul11	Abdul Razique Samadi	CEO	DABS	0752-024 301	Razique.samadi@dabs.ag
11	23Jul 11	Abdurahman Rasikh	DG of PAD	IARCSC/ K	0799 404 845	abrasikh@gmail.com

1 2	23Jul 11	Moh.Humayoun Rafiqi	Ex-Chairman	IARCSC/ K	0799 000 202	Humayoun.rafiqi@csc.gov.af
1 3	24Jul 11	Eng.Sher noory	Program Director	ACSI/K	0797 707 033	Eng.snoory@gmail.com
1 4	24Jul 11	Ahmad Shekib Mostaghni	National Training Director	ACSI/K	0795 906 040	mostaghnishekib@yahoo.co.uk
1 5	24Jul 11	Malalzi Safi	Internship Director	ACSI/K	0700 158 781	Malalai55@notmail.com
1 6	24Jul 11	Abdullah Qaderi	Data entry specialist	ACSI/K	0774 031 622	abdullahqaderi@gmail.com
1 7	23Jul 11	Dr.Massoud Mehrzaad	Project Manager/GCMU	MoPH/K	0799 628 441	Hefd.mehrzaad@gmail.com
1 8	23Jul 11	Dr.Moh.Daud Azimi	Reporting Specialist/GCMU	MoPH/K	0799 660 082	Hedf.azimi@gmail.com
Other Relevant Interviews/Meetings						
1	25Jun 11	R. Khatiwada	Former DABM consultant	DAI	0793 712 114	Rkhatiwada@gmail.com
2	25Jun 11	K. Masood	Financial Advisor	MVV		masoodkhwaja@hotmail.com

IX. Appendix E: LCEP-2 PMP's Gender Disaggregation Indicators

UN-HABITAT

United Nations Human Settlements

Programme

Learning for Community Empowerment

Programme-2

Monitoring & Evaluation Unit

Indicator No.	Indicator Name	Disaggregation
Assistance Objective (AO): To improve livelihoods in targeted communities through activities in integrated development-focused literacy, numeracy, life skills learning and economic empowerment		
2	No of LCEP-2 productive skills graduates that have utilized PS to better their economic lives	Gender
3	No of LCEP-2 literacy graduates that report improvements in their households as a result of LCEP-2 literacy training	Gender
IR 2. Improved literacy and life skills of youth and adult learners		
2.1	Proportion of students who, after two years of schooling, demonstrate sufficient reading fluency and comprehension to “read to learn” (ED 3.2a)	Gender
2.2	Proportion of students who demonstrate basic mathematics proficiency after two years of schooling according to Afghanistan’s curricular goals (ED 3.2b)	Gender
2.3	No of LCEP-2 youth and adult learners who are evaluated to have reached 4th grade level	Gender
2.4	Percentage of learners that report improved knowledge in targeted life skills	Gender
2.5	Percentage of learners who report that they have changed their behaviors as a result of LCEP-2 training interventions in literacy and targeted life skills	Gender
Sub-IR 2.1. Literacy training and life skills training implemented		
2.1.2	No of learners enrolled in USG-supported formal and non-formal education settings* (ED 3.2c)	Gender
2.1.3	No of out of school youth learners enrolled in USG-supported schools or equivalent non-school based settings (ED 3.2.4a)	Gender
2.1.4	No of adult learners enrolled in USG-supported schools or equivalent non-school based settings (ED 3.2.4a)	Gender
IR 3. Improved Productive and Business Skills of youth and adult learners		

3.2	No of BDS trainees who report having utilized their business training	Gender
Sub-IR 3.2 Apprenticeship opportunities for out of school youth provided		
3.2.1	No of out of school youth graduating from LCEP-2 supported apprenticeships	Gender
IR 5. Increased support for livelihood improvements by community-based financial institutions		
5.1	No of new businesses or other livelihoods improvements supported by microfinance loans	Gender
5.5	No of borrowers in SHGs and Community Banks (EG 4.3.1a)	Gender
Sub-IR 5.2. Access to capital at the community level increased		
5.2.4	No of SHGs established	Gender
IR 6. Training and materials development systems implemented (cross-cutting IRs 2, 3 and 4)		
6.1	Percentage of trained teachers meeting or surpassing minimum performance levels (ED 3.2.3a) (60% target)	Gender
6.2	Percentage of trained teacher educators meeting or passing minimum performance levels (ED 3.2.3b)	Gender
6.3	No of teachers/educators trained with USG support (ED 3.2.3c)	Gender

X. APPENDIX F: LCEP-2 PMP's Gender Disaggregation Indicators

CROSS CAPACITY COMPARISON

Project Name: National Literacy Department (NLD) LCEP - 2

Similarities & Differences: USAID/Afghanistan Capacity Building Activities

Implementing Partner:	UN-Habitat
Start –End Date:	July31, 2008 to January 30,2013
Goals for Capacity Development:	Develop the institutional framework and strengthen the capacities of the Ministry of Education to develop and manage its National literacy Program as a partnership between government and communities.
Definitions for Capacity Development:	There is no specific definition for capacity development in this project, while the project was designed for capacity development by having two components, the literacy components and productive skills component.
Approaches to Capacity Development:	Institutionalized framework for NLP Implementation Supported. Improved literacy and life skills of youth and adult learners. Improved Productive and Business Skills of youth and adult learners. Sustainability of LCEP-2 learning model advanced. Training and materials development systems implemented.
Selected Indicators of Capacity Development:	Improves quality of literacy programs supported through policies and standards. Improved core management skills of NLC. Literacy training and life skills training implemented. Productive and Business Skills training implemented. Sustainability of LCEP-2 learning model advanced. Improve quality of the teaching force. Out of school Youth and adult literacy initiatives expanded in targeted areas.

Gender Capacity Building:	The project was not specifically designed for Gender Capacity Building.
Expected Outcomes related to Capacity Development:	Government support structures established, trained and consolidated (MoE, MRRD, MoLSMD, MoWA, MoPH, Ministry of Haj and Endowment) at the district, provincial and National level for the support, management, and oversight of the program. A sustainable nation-wide training system exists, through the establishment of the National Literacy Center, to deliver and support community-based and managed, integrated lifelong learning, literacy and productive skills training.

Project Name: The Afghanistan Higher Education Project (HEP)

Similarities & Differences: USAID/Afghanistan Capacity Building Activities

Implementing Partner:	University of Massachusetts
Start –End Date:	February 23, 2006 to February 22, 2012
Goals for Capacity Development:	Increase the competency and skills of all English Language faculty members in the Faculties of Education (FoEs) to improve the quality of instruction, create a sustainable self-reliant English Language faculty, and positively impact student attitudes towards instruction, the institution, and the Ministry of Higher Education.
Definitions for Capacity Development:	There is no specific definition for Capacity Building for this project.
Approaches to Capacity Development:	Improved teaching at Afghan faculties of education in universities and 4-Year teacher training institutions. Increased MoHE and higher education institutions management capacity.

Selected Indicators of Capacity Development:	<p>% of education faculty members demonstrating improved instruction in their classroom.</p> <p>Improved university teaching through implementation of professional development activities.</p> <p># of individuals who participated in computer literacy training and successfully passed ICDL tests for at least one module.</p> <p>% of education faculty members who incorporated improved science and math seminars materials in their courses.</p>
Gender Capacity Building:	The project was not specifically designed for Gender Capacity Building.
Expected Outcomes related to Capacity Development:	<p>Rapid Restart of HEP Activities Accomplished.</p> <p>Increased MOHE capacity to manage higher education.</p> <p>Improved quality of university teaching through faculty professional development.</p> <p>Continued Afghan Master's in Education Program.</p> <p>Re-designed and revamped Public Policy and Administration Program.</p>

Project Name: The Building Education Support Systems for Teachers (BESST)
Similarities & Differences: USAID/Afghanistan Capacity Building Activities

Implementing Partner:	Creative Association International
Start –End Date:	January 27, 2006 to August 31,2011
Goals for Capacity Development:	The project is to improve quality of Teacher in the targeted provinces.
Definitions for Capacity Development:	There is no specific definition for Capacity Building for this project.
Approaches to Capacity Development:	<p>Teacher and school Manager training and Delivery improved.</p> <p>Teacher Training and Support Functions of Central and Provincial Offices Strengthened.</p>

Selected Indicators of Capacity Development:	<p>In- service teacher training delivery system developed and implemented.</p> <p>Remedial teacher training (accelerated learning) delivery system developed and implemented.</p> <p>Supplementary radio teacher training (RTT) modules developed and delivered.</p> <p>School Manger Training Curricula and Modules for teacher support developed and implemented.</p> <p>In-service teacher and school manager support system developed and implemented.</p> <p>MoE system to improve teacher training strengthened.</p>
Gender Capacity Building:	The project was not specifically designed for Gender Capacity Building.
Expected Outcomes related to Capacity Development:	<p>Strengthened teaching by all primary school teachers, approximately 100000, in the fundamentals of good teaching and mastery of the subject matter that they teach. Strengthened and institutionalized capacity and systems in the MOE that support high quality primary school teaching and.</p> <p>Support for annual printing and distribution of MOE textbooks valued at up to \$ 5 million per year. USAID support will be provided in association with that of other donors.</p>

Project Name: Basic Support for Institutionalizing Child Survival (BASICS III)
Similarities & Differences: USAID/Afghanistan Capacity Building Activities

Implementing Partner:	The Partnership for the Survival of Child Health Care. Inc
Start –End Date:	September 30, 2004 to September 30, 2012
Goals for Capacity Development:	Support sustainable reductions of under-5 mortality
Definitions for Capacity Development:	There is no specific definition for Capacity Building for this project.

Approaches to Capacity Development:	<p>Improved EPI micro-planning.</p> <p>Focus Pediatric Hospital Initiative on two provincial hospitals for getting results and evaluating impact.</p> <p>Developing key messages that will impact improved newborn and child health based on findings on BCC formative research.</p>
Selected Indicators of Capacity Development:	<p>Training of Trainers in ICSP Components.</p> <p>Supervise CHW training.</p> <p>Conduct refresher training for Child Survival Officers (CSOs).</p> <p>Supervise CHWs refresher trainings.</p> <p>Dissemination workshop to present results ICSP evaluation and developing of ICSP scale-up plan.</p> <p>Assist MOPH in developing future IMCI training plan based on results of evaluation study.</p> <p>Assist MOPH in developing and finalizing an implementation plan for pre- and in-service training of mid-level health workers according to the revised training strategy.</p>
Gender Capacity Building:	<p>Emphasize increasing the proportion of female community health workers and supervisors receiving child survival trainings.</p>
Expected Outcomes related to Capacity Development:	<p>National Neonate, Child and Adolescent Policy revised, Child Health Strategy developed and Implementation Framework introduced.</p> <p>Technical guidelines for CH within BPHS updated to reflect state of the art evidence.</p> <p>CHW curriculum updated with C-IMCI fully integrated.</p> <p>IMCI updated and alternative learning approach developed.</p> <p>Training curriculum for community-level nutrition promoters/workers developed.</p> <p>Improved hospital care of sick children, with fewer deaths, improved outcomes.</p>

Project Name: Technical Support to Central and Provincial MoPH (Tech-Serve)

Similarities & Differences: USAID/Afghanistan Capacity Building Activities

Implementing Partner:	Management Sciences for Health (MSH)
Start –End Date:	July 1, 2006 to September 30,2011
Goals for Capacity Development:	<p>Improve the capacity of the Ministry of Public Health (MoPH) to plan, manage, supervise, monitor and evaluate the scale of access to quality BPHS and EPHS service, particularly those of highest health risk.</p>

Definitions for Capacity Development:	There is no specific definition for Capacity Building for this project.
Approaches to Capacity Development:	Improved capacity of the central MOPH to support the delivery of BPHS and EPHS services, primarily through NGO service providers. Improved capacity of the thirteen Provincial Health Offices of MOPH to support the delivery of BPHS and EPHS service. Improve the leadership and management skills of senior managers at central and provincial levels of MOPH.
Selected Indicators of Capacity Development:	Number and total amount of BPHS grants awarded and managed under the PPG mechanism. Number and total amount of EPHS grants awarded and managed under the PPG mechanism GCMU capacity to meet USAID eligibility criteria. Number of MOPH General Directorates or Deputies with a functioning LDP teams reporting improved, collaboration and communication on at least one new priority issue each year. Strengthening Monitoring and Evaluation and Health Management Information Systems (HMIS).
Gender Capacity Building:	The project was not specifically designed for Gender Capacity Building.
Expected Outcomes related to Capacity Development:	Strengthen and support the central MOPH staff in its stewardship role of guiding the health system to achieve national health priorities within available resources. Empower provincial leaders and teams by enabling them to effectively supervise, support and assist the public health providers throughout their provinces. Support health facilities and community-based services by helping them to focus on delivering the BPHS and EPHS with the quality that will measurably reduce maternal and child mortality.

Project Name: The Performance Based Governor's Fund (PBGF)

Similarities & Differences: USAID/Afghanistan Capacity Building Activities

Implementing Partner:	The Asia Foundation
Start –End Date:	November 01, 2009 to March 2011.

Goals for Capacity Development:	The overall goal of PBGF is to assist the Government of Afghanistan in addressing faceted weaknesses and problems of sub-national governance at the provincial levels. Specifically, the program will provide interim financial and technical assistance to Governors and their teams so that better able to meet community outreach needs, enhance their relationships with citizen, and improve their overall management capacity.
Definitions for Capacity Development:	There is no specific definition for Capacity Building for this project.
Approaches to Capacity Development:	Improved resource-flows to meet Governors' operational needs. Increased self-sufficiency, with respect to provincial resources Increased capacity in programming and expenditure management, including the ability of provincial structures to comply with requirements on programming systems (e.g. auditing and transparency requirements) and to strengthen procurement systems for goods/services in the Governors' offices.
Selected Indicators of Capacity Development:	Number of PGOs able to prepare basic plans and budgets Number of PGOs conduct PBGF fund expenditure audits Number of public facilities maintained and repaired Number of financial management trainings provided to PGOs Number of PGOs preparing regular financial reports Number of community outreach projects implemented
Gender Capacity Building:	The project was not specifically designed for Gender Capacity Building.
Expected Outcomes related to Capacity Development:	Decreased lobbying of PRTs and international donors for small expenditures. Increased responsiveness of Governors to answer appropriate requests from the villages, districts, Provincial Councils and civil society. Increased citizen interaction with Governors and introduction of a culture in which responding to citizen needs is considered a core function of the provincial administration. Establishment of a culture of transparency and accountability, by facilitating good reporting practices on planning/expenditures and by implementing regular audits.

Project Name: Agriculture Credit Enhancement Project (ACE)**Similarities & Differences: USAID/Afghanistan Capacity Building Activities**

Implementing Partner:	DAI
Start –End Date:	Aug. 2010 - Dec. 2014
Goals for Capacity Development:	To build Afghan capacity to provide the services targeted under this task order and support MAIL in better coordinating and rationalizing the many donor-funded rural and agricultural initiatives in place.
Definitions for Capacity Development:	The ACE project provides technical assistance and works with the MAIL to build their capacity and eventually transfer ADF management responsibility to Afghan governmental counterparts in 2014.
Approaches to Capacity Development:	Establishment of Advisory board that provides strategic direction and oversight of ADF is fully functioning by year four and capable of inheriting USAID’s leadership role once the ACE project is concluded. Inherent in the design is the training of all relevant ACE staff who will migrate to positions within ADF upon conclusion of the DAI contract.
Selected Indicators of Capacity Development:	Number of conferences, workshops and other initiatives designed to foster increased credit to the agricultural sector carried out through the Agricultural Credit Working Group.
Gender Capacity Building:	ACE and MAIL are currently exploring the possibility of implementing a comprehensive business development program for women. ACE is also in the process of drafting an ADF gender strategy to be in line with MAIL’s and the USG Afghan Women and Girls Strategies. Also, gender specific lending related to agriculture is being developed.
Expected Outcomes related to Capacity Development:	40 employees of the ACE program, who will in the future become employees of the Agricultural Development Fund, 5 MAIL officials who will continue to serve in the ADF Board of Directors and the Credit Committee, 12 MAIL officials currently working in the Statistics and MIS departments, who will host the Knowledge Management Facility once transitioned from ACE, Up to 15 employees from MAIL’s Private Sector Development and Agribusiness departments who will be trained.

Project Name: Agriculture Development Fund (ADF)

Similarities & Differences: USAID/Afghanistan Capacity Building Activities

Implementing Partner:	DAI/MAIL
Start –End Date:	Aug. 2010- Dec. 2014
Goals for Capacity Development:	The objective of the ADF and ACE is to facilitate rapid disbursement of loans along the agricultural value chains, build the capacity of financial intermediaries to deliver agricultural credit to farmers, contribute to developing a high-value agricultural sector, and build confidence in the government legitimacy, thereby contributing to social stability.
Definitions for Capacity Development:	ADF will build the capacity of formal and informal financial intermediaries to deliver agricultural credit to farmers contribute to developing of a high-value agricultural sector, and build confidence in the government’s legitimacy, thereby enhancing overall stability in Afghan society.
Approaches to Capacity Development:	N/A
Selected Indicators of Capacity Development:	N/A
Gender Capacity Building:	N/A
Expected Outcomes related to Capacity Development:	Establishment of a GIRoA-owned ADF that has the capacity to gradually transition into a bank if so desired by GIRoA, is aligned with government priorities, and is free from corruption and political capture.

Project Name: Afghanistan Civil Service Support (ACSS)
Similarities & Differences: USAID/Afghanistan Capacity Building Activities

Implementing Partner:	Deloitte
Start –End Date:	Feb. 2007- Dec. 31, 2011
Goals for Capacity Development:	To improve the efficiency and transparency of GIROA to deliver basic services to the citizenry at the national and sub-national level by enhancing the capacity of the IARCSC to support reform and capacity building in the public sector.
Definitions for Capacity Development:	Providing near-term direct capacity building of select public sector institutions and developing the long-term capabilities of the Government of the Islamic Republic of Afghanistan (GIROA)’s capacity building institutions.
Approaches to Capacity Development:	Increase the Capacity of the Afghan Civil Service Institute (ACSI) within the IARCSC, Implement the IARCSC’s “Capacity Development Training Program in the Five Common Functional Areas Program,” and operationalize IARCSC regional hub offices and provincial training centers, Build the capacity of the IARCSC to implement Public Administration Reform effectively and transparently, Raise the skills levels of Afghan civil servants to enhance their ability to deliver services.
Selected Indicators of Capacity Development:	Number of public executive branch personnel trained with US government assistance as part of the capacity-building efforts of ACSS, Number of the standardized trainings in one of the five common functional areas provided by the ACSI, Number of trainers trained via ToT method in one of five core common functional areas, Number of the appeals and appointment board senior executives receiving coaching and mentoring and completing best practices study tours, Number of women civil servants trained in one of the five common function area by gender unit of CSC
Gender Capacity Building:	ACSS is assisting the IARCSC in implementing its series of gender mainstreaming activities which aim to ensure that the IARCSC is able to recruit and retain qualified women civil servants across the ministries of the GIROA; that appropriate training is provided to female government employees in order to ensure standards; and that notion of gender equality are transmitted, accepted , and adhered to across the Afghan government

Expected Outcomes related to Capacity Development:	Enhanced capacity of target ministries through improved competency in five core functions and public administration skills, Improved capacity of GIRoA regional and provincial training centers to provide sustained capacity development to civil servants throughout the seven administrative regions of Afghanistan, Approximately 16,000 civil servants will be trained in one or more of the five common civil service functions, Capacity of the provincial line ministries will be developed to deliver services to the people.
---	--

Project Name: Afghanistan Social Outreach Program (ASOP)

Similarities & Differences: USAID/Afghanistan Capacity Building Activities

Implementing Partner:	AECOM International Development, Inc.
Start –End Date:	July 05, 2009 - November 30, 2011.
Goals for Capacity Development:	Promote a more capable, accountable, and effective government in Afghanistan that serves the Afghan people and can eventually function with limited international support.
Definitions for Capacity Development:	The project develops the provincial capacity of IDLG by standing up its ASOP Provincial Management Units (PMUs) in targeted areas. The project also develops the capacity of local NGOs, trainers, community organizers, radio station managers and producers, district officials, and influential people capable of mobilizing community participation at the district level.
Approaches to Capacity Development:	Strengthen conflict resolution and disaster response skills and practices, More efficient and transparent use of development resources at the district level, Strengthen the capability of the IDLG central office to uniformly support district councils, Provide culturally appropriate conflict resolution training and culturally appropriate capacity building for District Councils
Selected Indicators of Capacity Development:	Number of individuals who receive USAID assisted training (other than anti-corruption) in direct support of program objectives (disaggregated by gender and province), Number of sub-national entities (including districts) receiving USG assistance to improve their performance, Number of individuals who receive USAID assisted training (on anti-corruption) in direct support of program objectives) , Number of community councilors who receive training in conflict resolution &

	mediation, Number of individuals from ASOP/IDLG, central, provincial and district personnel who receive training on oversight of public services and corruption.
Gender Capacity Building:	Gender is a cross-cutting issue in the program
Expected Outcomes related to Capacity Development:	Provided orientation and service monitoring training for council members, Completed 221 trainings on themes such as Management, Good Governance, Conflict Resolution, Peace Building, and Disaster Risk Reduction.

Project Name: Economic Growth and Governance Initiative (EGGI)

Similarities & Differences: USAID/Afghanistan Capacity Building Activities

Implementing Partner:	Deloitte
Start –End Date:	August 15, 2009 - August 16, 2013
Goals for Capacity Development:	To strengthen the GIROA’s capacity to develop and implement economic and regulatory policy and improve the enabling environment for the private sector to flourish.
Definitions for Capacity Development:	Enhance GIROA’s capacity to develop and sustain a market environment that supports responsible economic management, private sector-driven growth, investment promotion, and job creation.
Approaches to Capacity Development:	Support the ongoing development of sustainable capacity within key economic institutions of the Afghan government, formulate and implement effective economic policies that support growth, improved expenditure management and encourage revenue collection.
Selected Indicators of Capacity Development:	Number trainings across C1 activities conducted by EGGI, Number of full-scope on-site examinations conducted (cumulative) with EGGI assistance, Number of written off-site analyses completed (cumulative) with EGGI assistance, Number trainings across C2 activities conducted by EGGI, Number trainings across C3 activities conducted by EGGI.

Gender Capacity Building:	EGGI supports women to obtain employment with GIROA. The project launched the Women in Government Internship Program in February 2009. EGGI has placed a number of female's graduates in positions throughout GIROA in fields related to economic policy, the financial sector and private sector development. EGGI advanced a key cross-cutting objective to promote women in Government by training. The interns are now working alongside experienced program budget advisers based in various budgetary units.
Expected Outcomes related to Capacity Development:	The overall expected result through EGGI is that Afghanistan adopts and implements a comprehensive and consistent economic reform program that creates a favorable environment for development of private sector business within a market economy.

Project Name: Regional Afghan Municipalities Program for Urban Populations-East (RAMP UP East)

Similarities & Differences: USAID/Afghanistan Capacity Building Activities

Implementing Partner:	DAI
Start –End Date:	Start- June 2010
Goals for Capacity Development:	To promote a more capable, accountable, and effective government in Afghanistan that serves the Afghan people and can eventually function with limited international support.
Definitions for Capacity Development:	Capacity Building of the GIROA officials at the municipal level: enhancing the capacity of municipal officials, managers and technicians to perform their core municipal management responsibilities. RAMP UP East provides a combination of on-the-job mentorship, training, and advising to enable more visible, responsive, and accountable governance at the municipal level.
Approaches to Capacity Development:	Increasing the capacity of GIROA municipal officials, Markedly improving the delivery of municipal services to citizens in target municipalities, Increasing municipal capacity to enable, support, and sustain economic growth.

Selected Indicators of Capacity Development:	The number of municipalities with functioning performance budgeting systems, The number of municipalities with functioning accounting systems, The number of participatory citizen engagement mechanisms implemented by municipal officials (disaggregated to include those mechanisms including women), The number of individuals who received USG-assisted training, including management skills and fiscal management, to strengthen local government and/or decentralization, The number of government officials receiving USG-supported anti corruption training.
Gender Capacity Building:	Improve living conditions, economic opportunities, and socialization opportunities for women in culturally acceptable ways, such as through women’s parks, women’s markets, women’s cafes, recreational facilities for small children, women’s training centers, and facilities that improve access to information and facilitate participation in municipal decision making.
Expected Outcomes related to Capacity Development:	The capacity of the GIROA municipal officials will be Increased, Municipal service delivery in target municipalities will be markedly improved, Municipal capacity will be increased and will enable, support, and sustain economic growth.

Project Name: Afghanistan Rule Of Law Stabilization Program: Formal Component (ROL-Formal)

Similarities & Differences: USAID/Afghanistan Capacity Building Activities

Implementing Partner:	Tetra Tech DPK
Start –End Date:	Start- May 19, 2010
Goals for Capacity Development:	To build capacity within the judiciary and law schools, and raise public legal awareness to persuade the citizens of Afghanistan that they can reliably resolve their disputes and assert their rights through the state justice system.
Definitions for Capacity Development:	Develop the capacity of Afghanistan’s justice system to be accessible, reliable, and fair. It will accomplish this by focusing on both the state and traditional justice systems. In support of the state system, the program will advance key reforms in the judiciary and the law schools to develop the capacity of the state courts and to train the next generation of legal professionals.

Approaches to Capacity Development:	Improve capacity of the Judiciary, Strengthen Court Management Systems, Provides Training Opportunities to the Faculties of Law and <i>Shari'a</i> , Promote Anti-Corruption activities within the Afghanistan Legal System, Increase access to justice for women
Selected Indicators of Capacity Development:	Number of judicial candidates trained in the Afghan Supreme Court's Judicial <i>Stage</i> Program, Number of Anti-corruption Tribunal (ACT) judges trained in substantive, ethics, code of conduct, fraud, waste, abuse, or anti-corruption laws, Number of professors and students attending legal English language courses, Number of Law and <i>Shari'a</i> professors sent on study tours, Number of legal clinics supported at the Faculties of Law and <i>Shari'a</i> .
Gender Capacity Building:	Provide support network to improve working conditions, training opportunities, and career development for women judges.
Expected Outcomes related to Capacity Development:	After one year all courts will be using ACAS; a cadre of judges will be trained in substantive law, ethics and anti-corruption; the administration of the supreme court will reduce significantly the time for adjudicating cases; pay and grade reforms and promotion standard for judges will be adopted and there will be many more judicial candidates in training. The faculties of Law and <i>Shari'a</i> program component will support all secular law and Islamic law <i>Shari'a</i> facilities in the country. The common core curriculum and will be implemented.

Project Name: Support to the Electoral Process in Afghanistan (STEP)

Similarities & Differences: USAID/Afghanistan Capacity Building Activities

Implementing Partner:	International Foundation for Electoral Systems (IFES)
Start –End Date:	June 15, 2008 – September 14, 2011
Goals for Capacity Development:	To assist Afghan election officials in managing the upcoming elections themselves and to emerge IEC as an institution that has the capacity to plan and administer credible elections within ambitious timelines.
Definitions for Capacity Development:	Support the development of a professional class of election officials who will manage and administer the elections in 2009, 2010, and beyond.

Approaches to Capacity Development:	Capacity Building Support to the Afghanistan Association of Electoral Officers (AAEO) and Election Education Center, Implement skills enhancement program(s) for each department head and senior department staff, Assist the IEC in designing and implementing a staff training program at the national and provincial level, Continue technical assistance, specific strategic advice or on-the-job training through daily mentoring to departments where appropriate.
Selected Indicators of Capacity Development:	Number of sub-national government entities receiving USG assistance to improve their performance (F-Indicator), Number of IEC staff trained in financial management and procurement procedures, Number of IEC staff supported for pursuing higher education program which improves capacity, retention, Number of women employees reporting increased knowledge, skills and confidence relating to their work, Number of civil society organizations using USG assistance to improve internal organization capacity (CPI).
Gender Capacity Building:	IFES STEP funded establishment of IEC Gender Unit, two national gender advisors were embedded, IEC Provincial gender focal points identified and IFES STEP held several gender, women empowerment, leadership training and workshops through international consultants.
Expected Outcomes related to Capacity Development:	Election officials trained to manage election process and conduct public outreach, A total 508,956 people were trained out of which 187959 were females. Voter registration and delimitation processes improved, Provincial and HQ offices fully equipped and in communication with each other, IEC commission functions effectively as a governing body.

**Project Name: TO – 14: Road Operations & Maintenance (O & M) and Capacity Building
Similarities & Differences: USAID/Afghanistan Capacity Building Activities**

Implementing Partner:	Louis Berger Group/ Black & Veatch
Start –End Date:	November 7, 2007 to October 31, 2011
Goals for Capacity Development:	“The goal of this task order is to put in place a new organization structure using new management procedures so as to demonstrate how a sustainable road maintenance program for Afghanistan might work. The program will focus on developing and implementing performance-

	based contracting practices and at the same time utilizing Afghan subcontractors to the maximum extent possible.”
Definitions for Capacity Development:	“To ensure long-term sustainability of the Afghan road network, this project will build institutional capacity by integrating MPW/GOA staff into a Road Maintenance Unit (RMU).
Approaches to Capacity Development:	“To ensure long-term sustainability of the Afghan road network, this project will build institutional capacity by integrating MPW/GOA staff into a Road Maintenance Unit (RMU). “The RMU is overseeing the planning, contracting and oversight of O & M on the REFS roads. The RMU will outsource the O&M to Afghan contractors to the maximum extent possible.
Selected Indicators of Capacity Development:	The Master Training Work Plan 2010 – 2011 gives indicators for (i) Roads Monitoring; (ii) Administration/contracts/Management; (iii) Roads Planning; (iv) Training and Capacity Building; (v) MPW Field Staff, and (vi) Subcontractors. The performance indicators are the test results for everyone who has been trained.
Gender Capacity Building:	The project was not specifically designed for Gender Capacity Building.
Expected Outcomes related to Capacity Development:	“The Road Operation and Maintenance and Capacity Building Program ... through TO 14 consist of two major activities: to maintain the 1,500 km of roads built by the REFS program, and to train and build capacity within the Government of the Islamic Republic of Afghanistan and the private sector. The program will focus on developing and implementing performance-based contracting practices and at the same time utilizing Afghan subcontractors to the maximum extent possible.”

Project Name: Kabul Electricity Service Improvement Program (KESIP)
Similarities & Differences: USAID/Afghanistan Capacity Building Activities

Implementing Partner:	Tetra Tech, working with DABS Kabul Headquarters and the Kabul Electricity District, (KED).
Start –End Date:	November, 2009 to October 31, 2011
Goals for Capacity Development:	USAID has initiated the Kabul Electricity Service Improvement Program, (KESIP) to assist DABS in: (i) reducing electricity losses from its national power distribution grid (ii) increase electricity revenue in

	Kabul, and (iii) rebuild its technical, commercial and human resource systems. KESIP has a primary focus on the DABS Headquarters operations, and the Kabul Electricity Directorate (KED).
Definitions for Capacity Development:	There is no specific definition for Capacity Building for this project.
Approaches to Capacity Development:	Tetra Tech’s approach has included following:(i) Use project management disciplines to provide a framework for overall control and monitoring of progress; (ii) a flexible application of these disciplines to match the culture of the environment in which they are being used; and (iii) broad, but systematic, work planning methodologies to provide “road maps” in each of the key project areas. They also followed several important ground rules, including: (i) transferring skills through the use of a “hands-on” working style with counterparts
Selected Indicators of Capacity Development:	Key indicators from Tetra Tech’s most recent Quarterly Report, (March, 2011) say that Kabul Electricity District, “KED’s key performance indicators continued to show improvements during the first quarter of 2011. Its cumulative cash collections for the year rose by 43%....Its cumulative energy received increased by 22%....KED’s cumulative AT & C losses fell from 47% to 38% for the same period...
Gender Capacity Building:	Overall, the KESIP program benefits approximately 3,000,000 residents of the Kabul area, half of whom are female. These customers have received new or upgraded energy meters, improved customer service by DABS, and more convenient and accurate electricity billing. Within the DABS/KED organization, KESIP has trained a total of 896 individuals, of which 67 were female. With FY11 funds, we anticipate that 506 individuals will receive training, of which 68 will be female. Including all aspects of the program, KESIP directly employs 233 individuals, of whom 20 are female. Of the technical staff that are involved directly in capacity building efforts at DABS, KESIP employs approximately 80 individuals, of whom 3 are female.”
Expected Outcomes related to Capacity Development:	

Project Name: TO – 22, Kandahar Commercialization of DABS/Kandahar)
Similarities & Differences: USAID/Afghanistan Capacity Building Activities

Implementing Partner:	Louis Berger Group/Black & Veatch, working with DABS/Kandahar.
Start –End Date:	August, 2010 to December 31, 2011
Goals for Capacity Development:	This project focuses on commercializing the electricity distribution services in Kandahar Province to build the capacity of the national electricity utility, (DABS), in Kandahar to operate on a full cost recovery basis. The objective is to provide technical direction, coaching, and training to management and staff in Kandahar Province to improve collections and reduce kilowatt hour losses. Long term tariff reform is also an objective.
Definitions for Capacity Development:	There is no specific definition for Capacity Building for this project.
Approaches to Capacity Development:	“To transform DABS/Kandahar into a commercially and customer driven company that will be financially sustainable in the long term.” The Work plan goes on to say “the principal objectives are: (i) to advise the management of DABS/Kandahar to achieve rapid improvements in units cost reduction; (ii) to establish an appropriate organizational structure, an MIS unit, and a customer care center; (iii) to recommend a revised tariff structure; and (iv) to develop, integrate and implement IT applications covering metering, billing, collections, accounting, finance, inventory, procurement and maintenance.”
Selected Indicators of Capacity Development:	While TO – 22 reportedly has no PMP, there are clear and measurable outcomes to be achieved against timelines. Key indicators include: (i) Advise and achieve rapid improvements in unit commercial loss reductions; (ii) recommend revised tariff structure; (iii) develop and implement suite of IT applications to support “management systems.” (iv) training and capacity building in all critical business areas; (v) community involvement and PR; (vi) establish performance targets for all key performance areas across the organization; (vii) new organization structure & roles and responsibilities implemented; (vii) incentive system developed for all key value driver functions;
Gender Capacity Building:	The project was not specifically designed for Gender Capacity Building.

Expected Outcomes related to Capacity Development:	(i) develop and implement a plan to facilitate improvements in DABS Kandahar’s management structure and accounting systems leading to commercial viability; (ii) develop a baseline study showing current production of electric energy; (ii) implement a set of goals for improving monitoring of electricity production, sales, and revenue; (iv) establish a loss prevention team within DABS/Kandahar; and (v) develop a system for calculating electricity tariffs that allows for full cost recovery.

**Project Name: Commercialization of Afghanistan Water and Sanitation (CAWSA) Project
Similarities & Differences: USAID/Afghanistan Capacity Building Activities**

Implementing Partner:	ICMA, (International City/Country Management Association), working with the (AUWSSC)
Start –End Date:	November, 2008 to November, 2011
Goals for Capacity Development:	“USAID’s Commercialization of Afghanistan Water and Sanitation Activity (CAWSA) began with the aim of improving the water supply systems of Mazar-e-Sharif, Jalalabad, Ghazni, and Gardez by establishing a viable business model for water service delivery in Afghanistan.” Kandahar was subsequently added to the other four cities.
Definitions for Capacity Development:	There is no specific definition for Capacity Building for this project.
Approaches to Capacity Development:	CAWSA “will design and execute a carefully structured and viable commercial business model for water and sanitation service delivery in Afghanistan by implementing, testing, and aggressively refining management and technical operations in SBUs throughout the country. This model will function within the context of an asset holding company requiring certain levels of uniformity of operating and reporting systems across all four SBUs. The CAWSA Team will help create effective business models that permit the SBUS to improve operating efficiency, reduce water waste.

Selected Indicators of Capacity Development:	Cost Recovery ratio; on time collection of bills; percentage of service area coverage; percent of population covered in participating municipalities; quality of water delivered to customers; continuity of water supplied; percentage of water loss through the network systems; meeting SBU milestones, Number of people trained and number of training hours.
Gender Capacity Building:	“The CAWSA Program will evaluate gender considerations at all levels of programming. Women are likely to benefit at least 50% from all aspects of programming as they make up half of the general population that will benefit from improved services. Participants in training activities will be tracked on a disaggregated basis by gender so that women will be represented proportionally in all training.”
Expected Outcomes related to Capacity Development:	Strengthened management and operations of Strategic Business Units (water utilities) in Mazar, Jalalabad, Gardez, Ghazni, and Kandahar; Improved access to and service delivery of water in target SBU communities. Elected business units will be on the path to becoming self-sustaining commercial enterprises.

Project Name: Afghan Energy Capacity Building (AECB) Program

Similarities & Differences: USAID/Afghanistan Capacity Building Activities

Implementing Partner:	Advanced Engineering Associates International, (AEAI), working with DABS/Kandahar
Start –End Date:	August, 2008 to January, 2012.
Goals for Capacity Development:	The goal of the Afghan Energy Capacity Building (AECB) program is “to provide technical, managerial, and administrative capacity building in the Afghan energy sector, primarily the electrical sector.”
Definitions for Capacity Development:	There is no specific definition for Capacity Building for this project.

Approaches to Capacity Development:	The overall approach of the program is to develop meaningful capacity building programs customized to meet the needs of the beneficiaries, both addressing the immediate needs and longer term needs of the energy sector (as determined from multiple needs assessment documents.)
Selected Indicators of Capacity Development:	The US Foreign Assistance for Afghanistan PMP (2011 – 2015) lists one indicator: # 6.3.1.d: “Number of people receiving USG supported training in energy related business management systems.” This, in turn, is disaggregated by gender. It is a standard USAID indicator, and the source for the data is the Implementing Partner. The unit of measurement is a number. In the case of AECEB, the relevant metric against this indicator for its work with DABS appears to be 430,000 instructional hours.
Gender Capacity Building:	Number of people receiving USG supported training in energy related business management systems.” This, in turn, is disaggregated by gender. One Quarterly Report under Accomplishments says, “360,000 instructional hours provided; 2,700 staff received training including 290 women....” The report does not specify whether these women came from DABM [subsequently DABS] or MEW, since the project worked with both organizations.
Expected Outcomes related to Capacity Development:	Provide technical support to DABS to enable the North East Power System to be energized, providing dependable, imported electrical services to more than four million citizens; (ii) Support DABS operations and maintenance by OJT at NEPS’ substations, increasing management skills and technical training in Kabul, Baghlan, and Balkh Provinces; (iii) Support DABS with technical planning and construction of a 68 km 20 kV distribution line that provides electricity to residents in Parwan, Balkh, and Wardak Provinces;

Project Name: Civilian Technical Assistance Program (CTAP)

Similarities & Differences: USAID/Afghanistan Capacity Building Activities

Implementing Partner:	Ministry of Finance, Government of Islamic Republic of Afghanistan
Start –End Date:	September, 2009 to December 2011
Goals for Capacity Development:	CTAP aims to improve core operations necessary for a functioning government – such as finance, procurement, budgeting, human resources, policy development, and coordination among government institutions.”
Definitions for Capacity Development:	There is no specific definition for Capacity Building for this project.
Approaches to Capacity Development:	Strengthen capacity development in Afghanistan by increasing resources and focus on activities by complementing existing capacity development initiatives and programs; To help build institutional capacity for implementation of the Afghan National Development Strategy (ANDS) through line ministries and government agencies, especially by supporting institutional strengthening through the cluster system; Enable public organizations to improve budget execution; and To create a single mechanism for providing expatriate, regional, and international Technical Assistance which is lower cost, well coordinated,
Selected Indicators of Capacity Development:	No indicators for CTAP have been identified. The project has no specific PMP, and the Mission’s “U.S. Foreign Assistance for Afghanistan Post Performance Management Plan – 2011 – 2015” is silent on the subject of CTAP.
Gender Capacity Building:	Making significant progress towards the gender-specific targets in the Afghanistan Millennium Development Goals; (ii) Achieving the 13 gender-specific benchmarks of the Afghanistan Compact/I-ANDS, including the five year priorities of the National Action Plan. (iii) realizing the gender commitments that are mainstreamed in each of the ANDS sectors; and (iv) developing basic institutional capacities of ministries and government agencies on gender mainstreaming. This will be achieved primarily by supporting capacity development programs in Ministries and agencies

Expected Outcomes related to Capacity Development:	“The Government will have a greater ability to provide services to the people of Afghanistan, and the delivery of these services will be more sustainable; (ii) improved and more efficient government institutions; (iii) the government will have more resources to deliver services to the people of Afghanistan, and the budget itself will be a better instrument of governance; and (iv) more cost effective, impactful, demand driver and coordinated use of technical resources to enhance capacity of government institutions....”
---	---