



Practitioner's Guide:

Governance Structures in a Post Conflict Environment



National Solidarity Programme - NSP, Afghanistan

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Deutsche Gesellschaft für
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Bundesministerium für
wirtschaftliche Zusammenarbeit
und Entwicklung



Ministry of Rural
Reconstruction and
Development - MRRD,
Afghanistan



National Solidarity Programme - NSP, Afghanistan

Example:



National Solidarity Programme

A brief background of Afghanistan's past turmoil

Afghanistan has a long history of power struggle between national authorities and various local bodies. While national structures have intermittently been strengthened, local organisation have remained strong, and new regional level groupings have emerged during the last two decades. Establishing an appropriate and balanced division of power between these various levels presents a major challenge for the future of Afghanistan.

In the 1980s Western emergency aid, often in the form of cash, had mainly been channelled through the mujahedin groups. Assistance was designed to strengthen the mujahedin operating inside Afghanistan and excluded people in areas controlled by the Kabul regime. Although a mujahedin government was installed in Kabul in 1992, competing groups opposed each other on both the national and the regional levels, there was no unified governmental structure and civil war continued. Most humanitarian actors avoided formalising relations with the new government, preferring continued cooperation with individuals of military groups with whom they had worked during the 1980s. Linking diverse humanitarian actors to their preferred Afghan counterparts, the relationship was prone to corruption and political favouritism.

The early 1990s strengthened regionalisation and further weakened the central state apparatus, especially when regional warlords behaved like quasi-states by generating income from trade, receiving arms and other support from neighbouring countries, and inviting humanitarian agencies to provide basic health, education and relief services for their populations'.

The Taliban's gradual ascent to power from 1994 onwards entailed a clear shift towards a more unitary and repressive governmental policy. The movement's strict traditional- conservative national view, rooted in village traditions as well as a particular interpretation of religion, reduced the room for negotiation with foreign actors, above all those representing 'modern', Western values and development. This mostly applied to the humanitarian aid agencies as well. While restoring the governmental structures of the 1964 Constitution, the Taliban also reduced the importance of the Kabul ministries and gave more authority to religious networks and institutions.



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On the whole, humanitarian assistance during the past two decades has reinforced power structures at both the regional and the local levels. This made it possible to register some local development, but did not modify a regionalised political economy of war that made leaders more dependent upon - and responsive to - outside forces rather than their own people, and where control of trade (legal and illegal) was a major source of revenue. Fragmentation of political control also hampered Afghanistan's vital transit trade, facilitated competitive foreign interference, and made internal divisions rather than national boundaries the relevant lines of confrontation.

For the past two decades, the international aid community had done little to build local capacity in either the public sector or civil society. This is now changing, however, the agencies will have little country-specific experience to draw on. There is a rich and varied Afghan capacity that can be mobilised. Some municipalities and *shura* (i.e. local traditional councils) have been encouraged to take on a larger responsibility and they have done so effectively and become predictable suppliers of services to the local population.

As central government starts to engage itself actively in development issues throughout the country, there are many structural issues that will need to be addressed:

- ▶ To what extent will the traditional functions of the *shuras* be integrated into newly evolving local development structures (i.e. Community Development Councils)?
- ▶ Can working with military commanders at the regional or the local level that generally only serves to strengthen the political economy of war be completely stoopt prior to an effective alternative structure being in place?.
- ▶ Are aid agencies willing to work more closely with local, traditional authority structures since this may mean that they will lose influence over the assistance process?
- ▶ What type of structures are best suited for the provincial, district and community levels?



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Creation of the National Solidarity Programme

In order to answer some of the above mentioned questions and in order to replace a relief mode of assistance based mostly on foreign NGOs, external personal and decision makers the National Solidarity Programme (NSP) was created by the Government of Afghanistan in 2002/03. The Programme aims to develop the ability of Afghan communities to identify, plan, manage, and monitor their own development projects. NSP promotes a development paradigm whereby communities are empowered to make decisions and control resources during all stages of the project cycle. The programme is expected to lay the foundations for a long-term strengthening of local governance, to make it more inclusive (e.g. for women, Internally Displaced Persons, returnees, ethnic minorities), and to provide assistance for reconstruction and development of communities.

Executed by the Ministry of Rural Rehabilitation and Development (MRRD), the NSP is based on locally mobilized human resources and externally provided funds. This unique rural development programme, considered by many as the largest people's project in the history of Afghanistan, is the largest programme in the country and the most powerful instruments that the government has to significantly reduce the poverty levels in rural communities.

The NSP strongly promotes a unique development paradigm whereby communities can make important decisions and control resources at all stages of development. This will ultimately enable all villages and communities in Afghanistan to be eligible for funding through the NSP or other current development projects. Through the NSP, communities and villages have the unique opportunity to organize themselves to be self-reliant and therefore actively contribute to their own prosperity. Regular consultations and consensus amongst community members is a very important principle of the programme.

The goal of the NSP is to reduce poverty through empowering communities with regard to improved governance, and social, human, and economic capital. The objectives of the programme are to:

- ▶ lay the foundations for a strengthening of community level governance, and to
- ▶ support community-managed sub-projects comprising reconstruction and development that improve the access of rural communities to social and productive infrastructure and services.



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Approach and major phases of NSP

The NSP grants to villages are intended to act as catalysts in this process and at the same time provide much needed support for local reconstruction and development activities.

Quality of process is essential for the long term sustainability of community investments and for the success of a programme like the NSP. As such, community level planning must follow an approach that complies with the basic principles below:

- ▶ **participatory planning** of activities through inclusive community meetings and representative elected development councils;
- ▶ **community contributions** to capital costs and operation and maintenance;
- ▶ **transparency and accountability** of budgeting and accounting.

The design of NSP can be simply portrayed as a “**5-Phase-Cycle**”.

- ▶ During **Phase I** contacts are made with communities and villages. A team of “facilitators”, or locally recruited and trained staff, works with people in the communities and villages to discuss current community problems as well as their causes.
- ▶ **Phase II** focuses on establishing a representative community body, or the CDC. This elected council is responsible for proper and transparent accounting and the overall management of the community's socio-economic development process.
- ▶ In **Phase III**, the newly elected CDC consults with the members of the community in order to decide on what projects can be carried out independently and what projects need to be executed with outside support. Proposals will be written and submitted to MRRD for approval.
- ▶ **Phase IV** then focuses on the project implementation. After project approval, first block grant instalments are paid for the purchase of materials and contracting of services. At this point, the communities organize themselves and mobilize community resources for contributing to the NSP project execution.
- ▶ **Phase V** can be seen as the project evaluation. Regular monitoring of the progress is as important as the evaluation of the completed project.



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Basic requirements for NSP:

1. Creation of Implementing Structures

The National Solidarity Programme (NSP) is executed by the Ministry of Rural Rehabilitation and Development (MRRD). Within the ministry, the NSP is managed by an Oversight Consultant (OC) working with MRRD counterparts in the Community Led Development Department to strengthen capacity for community development and programme management. Up to 25 international experts and consultants advice and train MRRD and national NSP staff and ensure punctual disbursement of grants to communities. To set up a working structure a NSP main office as well as NSP Provincial offices were installed in all Provinces. A Steering Committee acts in an advisory capacity to MRRD on overall programme policy formulation and direction, and oversees programme implementation. At present, the Steering Committee is composed of representatives from MRRD and Ministry of Finance (MoF). An External Review Committee consisting of donors, UN agencies, the Independent Commission for Human Rights, MoF and MRRD meets on a regular basis to review and endorse all policy and contractual issues.

2. Facilitating Partners

Through the consultancy of NSP OC and the steering committee the Ministry of Rural Rehabilitation and Development (MRRD) contracted 22 non-governmental organizations (NGOs) and UN-Habitat to facilitate the delivery of the National Solidarity Programme (NSP) in selected districts of nearly all provinces. These NGOs are the **Facilitating Partners (FPs)** of the NSP. The primary role of the Facilitating Partner is to provide support and guidance to the community in meeting the requirements of NSP. The Facilitating Partner reports to the NSP OC. An agreement is signed with the community on the community development plan regarding the exact inputs to be provided and services to be performed by the Facilitating Partner. In each province one or more Facilitating Partner deploys community facilitators and technical specialists for three districts at a time to cover a target of up to 216 communities per year. The Facilitating Partners may use facilitation methods that they deem appropriate while respecting the eligibility criteria to achieve the outputs against which the eligibility of community project proposals are appraised and may also plan the deployment of their staff and sequencing of activities in ways they consider optimal for achieving their overall output targets.

3. Donors

The realization and continuation of the NSP is dependent on the commitments of donor countries and institutions. In the first phase of programme implementation, the flagship development programme of the government of Afghanistan was supported by different Donors (WB, EU, UK, Canada, Japan, Norway, Denmark). Estimates are that 500 Mio. USD are necessary to reach all rural communities with the programme.



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Main application steps:

After completion of the initial preparatory work outlined above, NSP follows the following main cycle of steps:

1. Selection of communities
2. Preparation of the communities
3. Appraisal of community development projects and plans
4. Sub-project implementation
5. Monitoring of the implementation process by the community
6. Physical and financial progress monitoring
7. Sub-project completion
8. Final monitoring and evaluation



1. Selection of communities:

- ▶ A "community" is defined as a village in which at least 25 families live. Villages or communities with less than 50 families are encouraged to join up with neighbouring villages so as to become eligible.
- ▶ Communities must elect their representatives. After secret balloting, the elected members form the certified Community Development Council (CDC).
- ▶ The elected CDC sets up a local Community Development Fund Box and keeps the community regularly informed about CDC activities and decisions via a public notice board and other local means of communication.
- ▶ Communities must participate in identifying and planning the project(s).
- ▶ Based on a wide consensus and in-depth consultations, the sub project(s) proposal must be endorsed.
- ▶ Communities must present technically and financially sound projects and also plan for equal access to future benefits.
- ▶ Communities contribute towards both capital costs (mainly labour) and operation and maintenance. They must design an operation and maintenance plan.
- ▶ Communities accept principles of transparency in budgeting and accounting.
- ▶ Communities encourage a strong project participation of women
- ▶ All personnel of the MRRD, NSP and the Facilitating Partners are working to mobilize resources to accelerate the NSP.



2. Preparation of the communities

Facilitating Partners are expected to facilitate the process so that communities can jointly plan and implement projects with NSP. The FPs are expected to help:

- ▶ To mobilize the community including facilitating the establishment through elections of a Community Development Council and related project implementation committees as agreed with the community;
- ▶ Facilitate a participatory planning process that includes women and the weaker sections of the community;
- ▶ Strengthen community capacity to identify and prioritise needs;
- ▶ Assist the community to prepare a Community Profile with baseline data
- ▶ Facilitate the preparation of a Community Development Plan and proposals for specific project(s) with budget(s);
- ▶ Provide technical assistance to develop sub-project proposals for appraisal through either:
 - a) facilitating community access to technical assistance available in the market or from other agencies; or,
 - b) technical assistance provided by the Facilitating Partner,
- ▶ Sign off on the Community Development Plan and sub-project proposal(s) with respect to technical quality, financial feasibility and inclusive community involvement in planning and decision making before they are submitted to NSP.

On the other hand the **community** also is expected that it will:

- ▶ Elect an inclusive Community Development Council and establish Project Management Committees as needed for sub-projects;
- ▶ Develop a Community Development Plan (including priority sub-project proposals with budgets and community cost contributions and O&M arrangements as well as projects which can be financed and implemented by the community itself);
- ▶ Obtain inputs and endorsement from the community (if necessary through separate meetings with men and women) regarding the Community Development Plan;
- ▶ Mobilize the required technical expertise to help develop designs within given technical standards;
- ▶ Agree on rules for dissemination of budget and expenditure information;
- ▶ Submit the community development plan and proposal(s) to NSP.

A training manual provides more in-depth guidance on the processes which can be followed during each phase, however, the Facilitating Partner has the flexibility in the choice of the facilitation methodology for undertaking the activities listed above.



3. Appraisal of community development projects/ plans

The community (with the assistance of the Facilitating Partner) will complete and submit a Community Development Plan and standard sub-project proposal(s) (including technical designs and cost schedules) to the provincial representative of the NSP. The Community Development Plan constitutes a medium term investment plan for a particular community, which would provide the basis for additional future development activities whether funded by NSP or other sources, and also represent for the first time ever a bottom-up input to higher level planning at the district, provincial, and national level.

Appraisal of the community proposal and budget are conducted by the NSP. The Facilitating Partner helps communities to prepare and implement sub-project proposals and be positioned as "allies" of the community, while the NSP staff formally appraises proposals and makes funding decisions.

The NSP is responsible for appraisal of all community project proposals to determine whether they meet the eligibility criteria. This is done using a standard appraisal tool by the NSP technical staff from the provincial office (and involving relevant government agencies, e.g. for education). The appraisal is done using a transparent procedure with eligibility criteria, indicators and means of verification. The criteria is made known to the community in order to limit the discretionary power of the NSP. A proposal is evaluated based on these criteria and assessed during a field visit to the community. During this appraisal visit the appropriate levels of instalments will be discussed and agreed upon. In the absence of special agreements the instalments will be 50: 40: 10 %.

The community is then informed by the NSP regarding the result of the appraisal, which may be

- ▶ approval of funding for the proposed plan,
- ▶ rejection for noncompliance with NSP rules (e.g. project is on the negative list),
- ▶ requiring the community to revise its proposal with regard to either the election of the Community Development Council, the planning process, the budget, or the technical standards.

The provincial NSP office will undertake field verification on a sample basis of whether elections of Community Development Councils conform with the basic principles defined. In addition, the national level NSP office undertakes periodic field supervision audits on a sample basis of the appraisal process to ensure that eligibility criteria are complied with.

Upon completion of appraisal and approval by NSP of a community sub-project proposal, a Tripartite Agreement is signed between the Community Development Council, NSP, and the Facilitating Partner regarding the financing of the sub-project, disbursement schedule and benchmarks triggering instalments and the general obligations of each of the parties to the agreement.



4. Sub-project implementation

The primary responsibility for sub-project implementation rests with the community (the Community Development Council, Project Management Committee, and the greater community). Clear divisions of responsibility between the Development Council members and Project Management Committee members increase accountability. Three or more persons at the community level should be identified as responsible for most implementation activities such as procurement, bookkeeping, supervision, storage and accounting. This not only promotes transparency and continuity at the community level but ensures as well that more than one person in the community has the necessary skills/ training to perform the task.

Depending on the type of sub-project, the community is either capable of undertaking implementation itself, or may require external assistance regarding specialized technical skills or services (e.g. masons for school construction, or lining and hand pump installation for dug wells for drinking water).

If a community is using its block grant for more than one sub-project, parallel implementation is an option, if sufficient capacity is present, since this speeds up overall implementation, and enables completion of projects within the constraints defined by local climate and altitude.

The Facilitating Partner supports the community during this process with regard to:

- ▶ Technical assistance on an as needed basis (e.g. procedures for procurement of goods or contractors);
- ▶ Implementation (e.g. advice on implementation organization, and supervision of works and construction quality);
- ▶ Training on matters such as book-keeping, contracting, maintenance tasks etc.



5. Monitoring of the implementation process by the community

The community wide assembly has to agree on the methods and schedule of reporting to the community (on financial and physical progress) by the Community Development Council and the relevant Project Management Committees. The methods for information dissemination should ensure that women are informed about project activities. The community has to agree on key indicators to monitor joint decision making, project progress, and transparency. Monitoring against these indicators has to be reported in the Community Progress Reporting Form used by the Facilitating Partners.

In the community, all records and accounts must be available for inspection by the members of the community, the Facilitating Partner, and NSP. The arrangements to ensure transparency include regular community wide information meetings, display of all relevant information on implementation progress and expenditures on notice boards accessible to the public, and/or announcements of project-related information at Friday prayers.

6. Physical and financial progress monitoring

The Facilitating Partner is responsible for physical and financial progress monitoring on a monthly basis with summary progress reports and on a quarterly basis with more comprehensive status reporting. These reports constitute an input to the overall quarterly progress reporting by NSP. The Facilitating Partner reports to NSP on process, achievement of implementation benchmarks, and quality of works as defined in the Tripartite Agreement. Achievement of implementation benchmarks will be tied to the release of funding to the community.

The NSP staff performs sample audits of the support for the community carried out by the Facilitating Partner regarding elections of Community Development Councils, preparation of sub-project proposals that comply with NSP eligibility criteria, recommendations for release of block grant instalments based on achievement of agreed milestones, and the adequacy and realism of progress reporting.



7. Sub-project Completion

A completion report has to be prepared by the community and the Facilitating Partner. The completed project is inspected by the NSP, and a Certificate of Completion is issued to the community provided the sub-project is technically sound and that all funds received from NSP have been reconciled. NSP may approve that any savings that are remaining may be allocated to be used by the community to increase the scope of the community development plan during the current or following year.



8. Final monitoring and evaluation

The NSP's monitoring and evaluation (M&E) system is intended to provide adequate information to the relevant stakeholders on project implementation performance, process, outputs, and outcomes. The main purpose of the monitoring system is to provide timely feedback to key stakeholders, and permit mid-course corrective action initiated where necessary. The M&E system has four components:

- ▶ Implementation monitoring –physical/financial;
- ▶ Process monitoring;
- ▶ Post-implementation monitoring, including sustainability monitoring of completed sub-projects and audits; and
- ▶ Evaluation of process, outputs, outcomes, and financial management.

A computerized MIS system ensures that information flow takes place smoothly at all levels, and that data are electronically processed from provincial level upwards.

At the community level, communities are assisted by their Facilitating Partner to monitor their own progress based on a few self-selected key indicators (e.g. on process/participation, implementation progress/results, and expenditures). Formats are developed for this purpose and maintained at the community/FP level. This ensures widely display and communication of results of such monitoring within the community.

At the next level, the Facilitating Partner, using the community as the basic unit of monitoring, provides a comprehensive report, including physical (and other outputs) and financial progress, on a quarterly basis to the NSP office. The Facilitating Partner's quarterly report includes the findings of the community monitoring.

The Facilitating Partner's quarterly progress reports covers the district(s) or province(s) in which the particular Facilitating Partner is responsible for facilitation of the NSP. Where more than one Facilitating Partner is involved in facilitation in a particular province, their reports are aggregated at the NSP-Province level. Provincial quarterly progress reports are then aggregated at the national level by MRRD/Oversight Consultant. At the national level, quarterly progress reports for the project as a whole is generated and shared with key stakeholders, including the NSP Steering Committee, Facilitating Partners, and donor agencies.

To evaluate project outcomes in terms of assessing whether the NSP is meeting its Programme Objectives, key performance indicators have been developed. Achievements against these are evaluated by an external evaluation consultant. In addition, regular supervision, and a mid-term review is conducted by IDA. At the end of the project period, IDA produces an Implementation Completion Report, which focuses on evaluating whether the project objectives and targets for key performance indicators have been met.