

Evaluation of the Implementation of the Paris Declaration

Country Evaluation

AFGHANISTAN

Executive Summary

This report is the Afghanistan country level study, as a component of a larger study of the second phase evaluation of the Paris Declaration (PD) of 2005 on Aid Effectiveness. The second phase is a follow up to the first phase evaluation that reviewed the efficiency of the implementation process of the Paris Declaration, taking stock of progress made at the input-output levels and attempted to measure the changes induced by the Paris Declaration. The second phase focuses on the outcome results at the country level. Thus the report attempts to assess the changes in the effectiveness of (a) delivery of aid donors, as per the PD principles and their indicators; (b) utilization of aid by donors and local (Afghan) stakeholders, focusing on results in selected sectors; and (c) the partnerships promoted.

In all developing countries, and especially in situations of fragility, a straight track of advances in Paris Declaration implementation is difficult to say the least. PD requires cooperation between a variety of donors with various interests, not all altruistic, and the local partner governments at all levels, civil society organisations, parliamentarians and the private sector, all representing various interest groups. Evaluation of PD thus is severely limited by the impediments in the country context; the most significant of these among many are insecurity; incapacity of ministries and civil servants; inadequate and weak state structures at all levels, national and sub-national; competing interests (of persons and organisations) and the politicized and militarized character of foreign aid. Appraisal of the PD in Afghanistan is placed within this context; and the issues that tend to impede or promote application of PD are woven into the architecture of this report.

In addition, the inter-linkages of the basic concepts of the principles and Accra, that constitute the soul of Aid Effectiveness, are the basis of the analysis of all issues throughout the report. That the principles cannot be untied from each other and must be pursued in unison to achieve improved delivery and utilization of aid lies at the core of this report.

With respect to intermediate outcomes of PD implementation, while some progress is made, strengthening of all areas by both donors and partner government is a requirement if higher rating of progress in each of the principles is to be heightened. The true spirit of alignment demands better articulation of need-based development programs by the government and results identification with which the donors would align and harmonise. The donors cannot claim to contribute to Afghanistan's needs when a large number of the donor countries, especially the troops-contributing countries, are driven by political and military interests. Mutual accountability requires a well established system of accounting for development results – a Monitoring and Evaluation system – which is currently close to non-existent. Not much can be expected either for promotion of mutual accountability or managing for development results in the absence of the government's commitment to a robust monitoring and evaluation (M&E) system. Donors are failing to meet needs for untying, better coordination amongst donors and rooting out wastages and duplications through practicing of division of labour and following harmonisation with Afghan government established systems, such as public performance management system (well reformed), procurement system etc. Cooperation in some of these areas is dependent on delivery from the Afghan government, for instance, control of corruption.

But in other areas goodwill from the donors is inadequate, at best.

The presence of the Provincial Reconstruction Teams (PRTs) and the enormous impact of security on PD implementation was studied. Doubtlessly, allocation of aid resources, over the past years has been driven by security considerations although security has not improved. It is correct that the amounts of funds invested and the activities undertaken by the PRTs (either through embedded civilian structures or through the military apparatus) vary. Thus, some PRTs might be more successful in undertaking needs-based albeit short-term projects than others. But in the absence of any accounting, understanding of the results which the investments achieve is unclear as well. Improved accountability and better cooperation of the PRTs with authorities at sub-national levels are the first requirements.

With respect to development results, two (health and education) of the three sectors selected have better performance record in the country. The research on the third sector – water – was focused narrowly on trans-boundary water system development potentials. Water and sanitation, constituting the most important life needs of the poor, could not be studied due to constraint of time.

Both in health and education sectors, developments results are better achieved than in many other areas. Although both these sectors exemplify improved donor coordination, alignment and harmonisation with government programs, it is difficult to see an application of the PD principles in these areas as the major causes of success although these were contributory factors. Yet, one cannot deny the influence of reform-minded ministers and exemplary leadership was displayed both in developing needs-based programs and directed donor attention to the requirements for coordination, alignment and harmonisation.

An analysis of the interview results raises the issue of the need for systems development instead of leadership-led development. No doubt, for sustainability purposes, systems development is essential but without leadership, no system can take roots, especially in the beginning period of state building. With billions of dollars of investment in technical assistance, Afghanistan's state's legitimacy is still at stake. Partially, this might have resulted from poor quality and unplanned technical assistance delivery by donors, yet, undeniably, quality of leadership influenced utilization of assistance.

The conclusion chapter of this report measures progress against each PD principles and raises interesting questions about the degree to which these principles are relevant for fragile states. Questions raised and discussed address issues such as: *Is ownership illusory and alignment a myth?* What evidences exist to prove harmonisation is real? *Is managing for results* only a paper concept in the absence of a robust national M&E system? Does *predictability of commitments* remain a dream? Who ensures that *Aid is untied and for whose benefit?* *Is capacity building through technical assistance* getting the value for money? Do Afghanistan and its international partners realize the extent to which they are missing the opportunity of being *mutually accountable* to each other and to their own public by not taking more stringent measures in improving *aid delivery mechanisms* and *aid utilization* for producing better *development results* to benefit the people? Readers must take a critical look at these issues and determine if pursuit of Paris Principles of Aid Effectiveness is realistic in fragile situations and to what extent?

In the light of the nature of the study and the findings, briefly reflected above, a number of recommendations are offered, some of which are innovative in terms of setting "to do" tasks for both the donors and the government. The recommendations are practical. The pursuit of these would require planning and determination to follow up, if PD implementation is to obtain the desired results.