

# Briefing

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## Afghanistan: Innovative Risk Management Approaches for Local Aid Delivery

### Summary

- Future stability in Afghanistan depends in part upon continued delivery of development assistance throughout the country, albeit at reduced levels, to meet basic needs.
- Experience demonstrates that delivery of development assistance to Afghan villages and townships is possible, though not without risks, even in a more demanding security environment.
- Concerns about corruption, access, monitoring and evaluation do not represent an insuperable obstacle for development assistance.
- An innovative risk management and mitigation approach is needed, entailing flexibility, a high degree of donor coherence, and commitment to a medium- to long-term strategy.
- Engagement with the new government including through the Tokyo Mutual Accountability Framework will be essential.



## Introduction

Most Afghans are expecting a more difficult and unpredictable security situation after the scheduled withdrawal of international combat forces in 2014. This has implications for the maintenance of the present level of development programmes and for the delivery of humanitarian assistance throughout the country. But security is not the only challenge. The government of Afghanistan (GoA) will need to make proper use of funds channelled through its agencies and to make visible efforts to control corruption if the assistance is to be maintained. The government also has to observe other donor criteria governing aid set out in the Tokyo Mutual Accountability Framework (TAMF) signed in 2012. Nevertheless 2014 might provide opportunities for better targeted and delivered Official Development Assistance (ODA) to Afghanistan. A reduction in aid budgets and an end to military deliveries of aid could lead to clearer priorities among donors; overstretched Afghan ministries might be in a better position to manage and control funds; fewer and more professional non-governmental organizations (NGOs) might ensure a better quality of aid delivery at the local level; and a smaller number of projects could be more easily monitored and evaluated.

This briefing will analyse expected challenges in relation to local aid delivery to end users in the post-2014 period and suggest ways to ensure optimal handling of aid resources. These include measures to monitor whether different types of ODA reach the intended beneficiaries in different parts of Afghanistan, have the intended impact and meet standards of quality.

## Security outlook

Potential security threats to local aid delivery are related to an expected increase in military activity as well as ways in which various security actors will try to control or appropriate ODA. The most obvious threat is heightened confrontation between the Afghan armed forces and police and armed opposition groups (particularly the Taliban and Hezb-e Islami), and competition for control of roads and districts/towns. This will make it more difficult for aid

actors to negotiate access to designated areas and increases the security risks for government and NGO staff to provide assistance as well as to monitor and evaluate programmes.

A reduction in military spending might also encourage the various security actors to direct assistance to areas under their control or utilize it for strategic or personal purposes. There are already reports that contingents of the Afghan Local Police (ALP) are taxing the local population, intervening in local development projects and capturing equipment that can be resold.

A deteriorating security situation will probably lead to a rise in crime and cases of kidnapping.<sup>1</sup> The staff of aid organizations are more likely to be targeted owing to their visibility and access to financial resources.<sup>2</sup> More negative attitudes among Afghans towards international actors might further pose a threat to organizations with international links, and their staff. The International NGO Safety Organisation (INSO) that monitors the security situation in Afghanistan had by the end of November 2013 recorded 111 abductions of NGO staff.

NGOs and other aid agencies that aim to deliver much-needed assistance throughout the country will consequently need to be fully aware of the conflict context in which they plan to operate, and acknowledge that it will vary greatly according to local circumstances, power dynamics, and different actors and influences. One important step in preparing for increased insecurity is to undertake a thorough and continuous risk assessment before starting up any projects, and to train field staff in the management of unforeseen situations and risks. Aid actors also must assess how they can best 'do no harm' and not initiate and increase conflicts in the communities where they plan to work.<sup>3</sup>

## ODA channels

The GoA is calling for more ODA to be channelled through and handled by the Afghan government. This is in line with the general 'New Deal for Engagement in Fragile States'<sup>4</sup> principles adopted by the Organisation for Economic Co-operation and Development (OECD) at its meeting in Busan in 2011, and the Tokyo Mutual Accountability Framework in particular. Still, donors are concerned over

<sup>1</sup> See, for example, 'Attacks on aid workers rise in Afghanistan, U.N. says', [http://www.nytimes.com/2013/12/03/world/asia/attacks-rise-on-aid-workers-in-afghanistan.html?\\_r=0](http://www.nytimes.com/2013/12/03/world/asia/attacks-rise-on-aid-workers-in-afghanistan.html?_r=0) [accessed 16 December 2013].

<sup>2</sup> For further reflections see Jair Van der Lijn (2013), *Development Assistance in Afghanistan after 2014: From a Military Exit Strategy to a Civilian Entry Strategy*, Stockholm, SIPRI Insight on Peace and Security No. 2013/4 October 2013, available at <http://books.sipri.org/files/insight/SIPRIInsight1304.pdf> [accessed 3 December 2013].

<sup>3</sup> See, for example, Conflict Sensitivity Consortium (2012), *How To Guide to Conflict Sensitivity*, available at [http://www.conflictsensitivity.org/sites/default/files/1/6602\\_HowToGuide\\_CSF\\_WEB\\_3.pdf](http://www.conflictsensitivity.org/sites/default/files/1/6602_HowToGuide_CSF_WEB_3.pdf) [accessed 30 November 2013].

<sup>4</sup> The New Deal, piloted in Afghanistan, 'identifies ten key areas where international engagement needs to change to focus on new and important ways of engaging and building mutual trust, including a shift to country-led fragility assessments; the re-evaluation of formal compacts; stronger support for political processes; more effective support for capacity development; greater transparency of aid; increased use of country systems and more timely and predictable aid.' ODI, 'A "New Deal" for Fragile States', <http://www.odi.org.uk/news/477-g7-fragile-states-new-deal-budget-strengthening-initiative> [accessed 16 December 2013].

the management and implementation capacity of several Afghan ministries and their ability to prevent corruption. Some donors, when providing funding directly to or through a ministry, have placed their own staff there for oversight and control functions.

The most used and tested channel for donor funding is the World Bank-administered Afghan Reconstruction Trust Fund (ARTF), on whose board both the GoA and the donors are represented. The United Nations Development Fund (UNDP) has established similar structures. The way in which a corruption case was managed in the Law and Order Trust Fund (LOTFA) that provides salary payment for the Afghan National Police (ANP) and Central Prisons Department (CPD) is of interest in this regard.<sup>5</sup> The manner in which the investigation was focused raises a concern that it was the internal dynamics and safeguards of the fund that were emphasized, not how the funding was subsequently utilized in the ministries, or whether all of the salaries reached the police officers in the field. That concern for end-user control of assistance can be applied to other trust funds as well, although these may have conducted more systematic end-user evaluations.

**Given that most local aid delivery in Afghanistan is likely to be undertaken by NGOs, their ability to handle and monitor their service delivery is key in ensuring the quality and impact of the assistance provided, and that it reaches the intended beneficiaries.**

Even if funding is channelled through a trust fund or directly through a ministry, an NGO, either international or national, is usually selected to facilitate or implement the project following a bidding/qualification process. This applies to the National Solidarity Project (NSP) and the various health packages that constitute the bulk of donor funding channelled through the ARTF and the GoA. NGOs are also involved in a range of other donor or GoA funder activities, such as the construction of schools, running agricultural projects and providing water and sanitation.

Given that most local aid delivery in Afghanistan is likely to be undertaken by NGOs, their ability to handle and monitor their service delivery is key in ensuring the quality and impact of the assistance provided, and that it reaches the intended beneficiaries. This requires a high degree of analytic oversight, flexible and adaptive

implementation strategies and, not least, a solid internal monitoring and evaluation system. Many NGOs have systems in place and experienced staff. But it will be an added advantage if such experience and knowledge are shared among NGOs and donors so that they can avoid repeating mistakes.

**Ways to monitor and evaluate**

It is nothing new that insecurity poses challenges for aid delivery and monitoring and evaluation of aid interventions. It was part of daily planning routines for aid organizations operating inside Afghanistan throughout the 1980s and 1990s, and it has become an increasing concern in some parts of the country during recent years. Lessons learned from those periods, combined with the possibility of using mobile technology and social media, offer a set of options for maintaining a reasonably high degree of control over ODA delivery in the years ahead.

This section sets out possible strategies relevant to donors, the GoA, trust funds and NGOs to address a more demanding security environment. However, it should be acknowledged that even when the security situation was less demanding it was a considerable challenge to ensure aid delivery throughout Afghanistan and to undertake systematic monitoring and evaluation.

The starting point is to gather information and enter into a dialogue with the intended beneficiaries. Their sense of ownership of a project or intervention, and understanding of what they are entitled to receive from it, form the backbone of any system to monitor aid delivery, internal as well as external. A community's involvement in the selection of priorities and its knowledge of budget allocations strengthens its ability and will to ensure delivery in accordance with the agreed quality and terms. The point was emphasized by the national staff of one of the longest-serving international NGOs in Afghanistan at a 2013 training workshop:<sup>6</sup>

Our best security guarantee is people's knowledge of us as giving them high-quality services, that our staff behave properly and respectfully, and that we have continued to do so for more than 30 years. Then they invite us and they will try to protect us because our being there is in their interest.

Once the community is informed and involved, and the NGOs are doing their utmost to ensure the quality of their services and products, a number of steps can be taken in regard to monitoring and evaluation.

<sup>5</sup> Maja De Vibe, Nils Taxell, Paul Beggan and Peter Bofin (2013), *Collective Donor Responses: Examining Donor Responses to Corruption Cases in Afghanistan, Tanzania and Zambia*, Bergen, Chr. Michelsen Institute, U4 Report 2013: 1.

<sup>6</sup> Training on Conflict Sensitive Project Approaches for Swedish Committee for Afghanistan (SCA) in April 2013.

Three basic observations should be acknowledged:

1. It is not sufficient to have strict and elaborate internal control mechanisms for handling of funds, and a zero tolerance policy for mismanagement of funds. The actual control mechanisms must be extended to the field, and be operationalized down to the intended beneficiaries.
2. International staff are not a requirement for field monitoring/evaluation – they can be far more easily misled or deceived than any committed Afghan. A combination of international staff in oversight positions and Afghans undertaking project visits is optimal, provided they are aware of their tasks and jointly contribute to control and continuous learning. And, as suggested in a recent report, ‘make sure that staff members working in the same reporting line are not related’.<sup>7</sup>
3. An additional system of dedicated staff to ‘control the controllers’ – in the office and in the field – is an effective way of preventing misuse from the outset. All staff know they will be checked – but not when, where and by whom. (As an Afghan proverb puts it: ‘Have trust in Allah, but tie your camel.’)

Considering past experience and the current features of the operational environment, one can envisage ways to extend and improve control mechanisms that amount to a more comprehensive system, with different actors taking different but complementary roles. It is still important to acknowledge, as was done in the APPRO report cited above, that ‘remote management cannot be a permanent substitute for ongoing onsite management because the quality of the work would very likely suffer’.<sup>8</sup>

- Several Afghan NGOs have joined the Humanitarian Accountability Partnership (HAP) and aim to meet HAP standards in accountability and quality management.<sup>9</sup> One important element is to inform their intended beneficiaries about planned services and commodity deliveries, as well as possibilities for lodging complaints. Complaints can be submitted in a locked mailbox at the project site or through a text message or phone call to a person in the NGO management team. According to one NGO, several beneficiaries had made use of this mechanism when projects had been delayed or not provided the planned outcome.

- Another way to ensure that NGOs (and others) can be held accountable is to include both beneficiaries and non-beneficiaries when gathering information about projects and monitoring them – and preferably both women and men. These are likely to have different opinions about the project, and can notify both the monitors/evaluators and other community members of their observations and assessments. Such a process will ensure that more community members are informed about the project and who benefits from it, thereby reducing the likelihood that the NGO staff select their friends, associates or relatives as beneficiaries. It will also help safeguard the project against pressure or manipulation from local elites and other power-holders.

### Mobile phones have become a critically important new instrument of monitoring and evaluation, ideally suited to the present security environment for aid delivery.

- Mobile phones have become increasingly widespread throughout Afghanistan. This has opened up a range of new possibilities for better targeting of assistance delivery, reducing transaction costs and monitoring end use. Identified beneficiaries can receive a text message with information about goods or cash to be received, which they then can collect at a nearby collection point or a local business. They can complain via their mobiles if services are not received as promised. Mobile phones are ideal for taking pictures and sending media messages to document project progress or shortcomings, or to control the quality of construction or commodities delivered. In short, mobile phones have become a critically important new instrument of monitoring and evaluation, ideally suited to the present security environment for aid delivery.
- Designated community members can be assigned to monitor project implementation, or, as some NGOs do, people from neighbouring communities can be engaged to do so. These groups can then use their mobile phones to document project implementation and quality on a regular basis and cover a larger area/number of projects. The possibility to use GPS positioning can verify information about the exact location of the project, thereby preventing false reporting (for instance on another completed

<sup>7</sup> APPRO (2014), *Transition and Non-Governmental Organizations in Afghanistan: An Assessment and Prospects*. (January 2014), Kabul, available at <http://www.baag.org.uk/whats-new/report-launch-transition-and-non-government-organizations-afghanistan> [accessed 1 February 2014].

<sup>8</sup> *Ibid.*, p. 13.

<sup>9</sup> For details please see <http://www.hapinternational.org/pool/files/2010-hap-standard-in-accountability.pdf> [accessed 30 November 2013].



project). On the other hand, these strategies involve some risks when used in a conflict environment (see below).

- Donor agencies, trust funds and the GoA can strengthen oversight capacity and reduce the burden of single agencies by contributing to joint systems or appointing common supervisory agents for monitoring and evaluation. This strategy can be applied to projects where several donors have pooled resources, where there is a need for a baseline, when a number of projects from different donors are implemented in a given geographical location, or where donors support similar types of projects in several areas. Larger studies covering different areas will allow for comparison and assessment of the impact of interventions, as increasingly demanded by donor agencies under pressure to report on the use of funding.<sup>10</sup> There is an untapped capacity in Afghanistan which, over a number of years, has demonstrated its ability to undertake surveys in all parts of the country, although its methodology and data verification systems must be assured.
- Impact evaluation is a useful means of assessment. The literature on aid delivery in fragile and conflict-affected settings shows that better understanding of the results on the ground requires improved understanding of the impact and the effectiveness of aid interventions. Such evaluations can be organized in several ways, including randomized controlled trials, which can also be used to test assumptions about how development interventions affect change – what is often referred to as ‘theories of change’.<sup>11</sup> Impact evaluations can be applied to larger interventions, thereby generating a national overview of the effects of different types of aid delivery.
- Another method of assessment is to complement direct measurements of the impact of aid interventions with the use of proxy measurement through the use of ‘proxy indicators’. These can help confirm more general development trends, or their lack, and might, for example, be used to identify corruption problems and measure changes in relevant sectors, institutions and processes.<sup>12</sup> This could be particularly important when national data systems are not reliable or not frequently updated, as is the case in Afghanistan.

## Donor initiatives

There are a number of initiatives that donor countries to Afghanistan can take, either on their own or jointly, to lay the foundation for a systematic approach to the monitoring and evaluation of aid delivery, and to assist in learning and improving performance.

- Donors (and the GoA, United Nations organizations and NGOs) can strengthen control mechanisms within their organizations to ensure high-quality service delivery and the ability to access and measure impact and cost-effectiveness. A ‘Risk Management Guide’ can provide an effective tool for organizations.
- A policy of ‘publish what you fund’ can be introduced. This will ensure greater transparency within the aid community and towards the public. More eyes (and ears) can trace where funding ends up and reduce the opportunity for double and triple funding of projects.
- It needs to be acknowledged that improved quality comes at a cost and takes time. Donors should therefore encourage, assist and fund NGOs and GoA monitoring agents to develop and maintain the capacity to undertake conflict assessments, plan for conflict-sensitive interventions and initiate different types of monitoring and evaluations. This can include assistance to bring in trainers with previous experience from Afghanistan, support development of training materials in the local language, train ‘roving monitors’, and actively develop suitable ‘rapid evaluation tools’ and ‘random sampling methods’ for Afghanistan, drawing on experiences from countries in conflict.

### **A policy of ‘publish what you fund’ can be introduced. This will ensure greater transparency within the aid community and towards the public.**

- Finally, donors could benefit from negotiating a common donor strategy on how misuse of development assistance and fraud cases should be handled, and agreeing to calibrate responses to different types of misuse and those responsible for it. Donors further need to coordinate information-sharing policies on what type of information to share among themselves and what to share with the public.

<sup>10</sup> OECD (2012), *Evaluating Peacebuilding Activities in Settings of Conflict and Fragility: Improving Learning for Results*, DAC Guidelines and Reference Series, OECD Publishing.

<sup>11</sup> See Marie Gaarder and Jeannie Annan (2013), *Impact Evaluation of Conflict Prevention and Peacebuilding Interventions*, Washington DC, World Bank, Policy Research Working Paper 6496.

<sup>12</sup> Jesper Johnson and Paul Mason (2013), *The Proxy Challenge: Why Bespoke Proxy Indicators Can Help Solve the Anti-corruption Measurement Problem*, Bergen, Chr. Michelsen Institute, U4 Brief 2013: 2.

It is not imperative for all donors to align themselves in accordance with a common strategy. If a core group of more like-minded donors agree on a set of norms and ways to address corruption issues, this could set a precedent for other donors to follow and constitute a major step forward.

## Dilemmas and challenges to be addressed

The debate on future aid strategies in Afghanistan raises a number of dilemmas – over the corruption issue; over relations between donors, the GoA and NGOs on the one hand and local elites and power-holders on the other; over the impact of the Taliban and other anti-governmental groups; and over the increased security risk to agency staff.

In their relations with the GoA and its ministries, donors need to explore how the former can assume responsibility and adapt systems to safeguard aid delivery and curb corruption. This is not just about establishing mechanisms within and across ministries and establishing linkages to government entities at the province and district levels; it is even more important to generate an understanding of the importance of such a system. This entails enabling a positive dialogue on joint adherence to the Tokyo Mutual Accountability Framework, which otherwise could easily turn negative and strain an already a fragile relationship between the international community and the GoA.

Handling local elites and other power-holders that strive to monopolize assistance for their own benefit has been a continuing challenge in Afghanistan, especially when agencies have become dependent on their permission and safety guarantees in order to operate. Giving in to their demands meant that the local power-holders controlled agency activities in a tight grip from which it was difficult to escape. Nevertheless, this power relationship can be balanced by maintaining contact with a number of power-holders, rather than depending on a single one in any given area. As noted above, aid actors must also establish direct dialogue with larger groups within the community and include them in project planning and implementation. Principles such as a ‘Conflict Sensitive Approach’ and ‘Do No Harm’ are useful, and have been tested by a number of NGOs.

Another set of challenges relates to accessing and working in areas controlled by the Taliban and other anti-government groups with *de facto* control over certain geographical areas. Permission to operate may include demands on agencies to adhere to the Taliban’s priorities and to register with their

administration.<sup>13</sup> This is not an unfamiliar situation and at the field level does not differ intrinsically from the need to deal with local authorities of whatever kind. In all cases, the difficulty is to find a balance between acknowledging and relating to the demands of the local power-holders without giving up principles for the delivery of humanitarian and development assistance, and without entering into a regulatory framework that is too rigid. The principles should include the right to monitor and evaluate the assistance delivered, and that this can be done by persons/agencies hired for this purpose by the NGO or the donor agency. Such access should become a condition for delivering assistance, irrespective of whether such negotiations are entered into locally or with central representatives of such groups. At the national level, problems may arise as the Afghan government does not in principle permit aid organizations to deal with anti-government organizations. Those that have registered with the Taliban have done so through intermediaries.

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Militant groups and local power-holders might suspect that NGO, donor staff and local monitors taking photographs and recording the GPS positions of project sites are doing so for purposes of military intelligence, designed to direct military forces or drones. If labelled as spies, such staff will be in great and immediate danger. This risk clearly reduces the advantages offered by new technology for monitoring and evaluating aid in conflict situations. However, numerous photographs were taken and videos recorded of rehabilitation projects while the *mujahideen* and the Taliban were in power. Doing so, however, required openness about their purpose and ensuring that neither women nor fighters featured in the photos. The proper use of recording material needs to be considered in the context of monitoring and evaluation of aid delivery.

## The way forward

Several suggestions have been made above for improving the monitoring and evaluation of aid delivery in what is expected to become a more insecure Afghanistan. No single specific method can ensure control over the delivery of aid;

<sup>13</sup> As of 2012, 26 NGOs had registered with the Taliban to work in their areas, according to Ashley Jackson and Antonio Giustozzi (2012), ‘Talking to the Other Side: Humanitarian Engagement with the Taliban in Afghanistan’, HPG Working Paper, December 2012, <http://www.odi.org.uk/publications/6993-aid-conflict-humanitarian-engagement-policy-taliban-afghanistan>.

rather, it is the combination of the different tools available – and the will and ability to learn from both success and failure. To summarize:

- The GoA should prioritize and be encouraged to strengthen its ability to utilize and control ODA channelled through the Ministry of Finance and other ministries, and build their capacity and skills in monitoring and evaluation at all levels.
- NGOs need to be proactive in risk assessments and in developing and diversifying their monitoring and evaluation functions, to share experiences and join forces for skills training and the development of innovative monitoring and evaluation methods in the particular set of operational challenges they face in Afghanistan.
- New and innovative ways of undertaking monitoring and evaluations should be introduced and tested, where a combination of approaches and methods can provide a way to safeguard aid delivery and measure impact.
- Donors should support such capacity-building and allocate financial resources for establishing proper risk assessments, and monitoring and evaluation processes. A joint donor initiative that emphasizes the importance of learning from experience can contribute more broadly to improving coherence and impact.
- Donors should also join forces with UN agencies and experienced NGOs to develop a more common strategy for monitoring and evaluation; pool resources and reduce costs and risks by organizing joint monitoring and evaluations; and adapt a common policy towards the GoA on how to respond to the misuse of funds.

### About the author

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