



QUARTERLY PROJECT REPORT [2nd Quarter, 2007]

United Nations Development Programme Afghanistan National Area-Based Development Programme [01-04-2007 – 30-06-2007]

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Project ID: 11020 (NEX), 11012 (DEX) 11025
(Infrastructure rehabilitation)
Duration: Phase II commenced in early February 2006;
runs until 2008
Component (MYFF):
Total Budget: USD 182m
Unfunded: USD 112 m
Implementing Partners/ Responsible parties: MRRD,
UNDP

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I. PROJECT IMPLEMENTATION CHALLENGES

Updated Project Risks and Actions

Community Empowerment

The SNC-PDP process, which was not planned in annual workplan, affects achieving the objectives of the programme

A significant challenge to the entire NABDP organization was related to the emergency work, requested by the ANDS secretariat, the Afghan Development Forum (ADF), and the Ministry of Rural Rehabilitation and Development (MRRD), to conduct the Sub-national-consultation of the interim Afghanistan National Development Strategy (ANDS) and to prepare interim Provincial Development Plans (SNC-PDP) in 34 provinces, all by the end of August 2007. The sub-national consultation of ANDS is not the mandate of NABDP, however, as it is the priority issue of the government and as it does fit with NABDP's mandate regarding the development of PDPs, NABDP/MRRD accepted the request to facilitate the SNC-PDP process.

This new work has affected achieving the targets in annual work plan of the community empowerment component and NABDP in general. However, to prevent possible negative consequences, the programme took following measures:

- Recruited additional personnel, including coordinators, facilitators, finance and admin officers, to support and accelerate the SNC-PDP process.
- Prepared a proposal to mobilise financial resources for the SNC-PDP process and submitted to this CIDA.
- Supported the ANDS secretariat in its leading role to mobilise government officials and coordinate with all stakeholders.
- Prepared the schedule of SNC-PDP workshop and built teams to carry out the plans within the strict timeframe given.

Culture, politics and security threaten women's participation in DDA and DDP

Cultural constraints are an ongoing challenge to involving women in the consultation process. Supporting necessary behaviour change for women's participation is a long-term effort and is undertaken at different stages, through the development and application of experience-based guidelines and strategies, and transparent processes and communication. During this period, a guideline for greater women's participation was developed and piloted. The guideline is reviewed and modified periodically based on lessons learned.

Each consultation and planning-process presented a unique challenge with regard to women's participation. For instance, some men have tried to use cultural resistance and adherence to tradition as a way to manipulate their own district's representation in consultations, saying they do not want women to participate but then demanding that places reserved for women to be filled by men from their districts. Some resistance to women's participation has been less about women's involvement in particular and more about male representatives wanting to ensure that their own districts are appropriately represented and that the process for choosing women to participate is transparent. For instance, during the preparatory meetings before the SNC-PDP workshops, when it was seen by organizers that some districts had no female representation, a government ministry identified women who had worked in these districts to sit in on the process

and represent women's issues. Some male district representatives got angry that women from other districts were invited to participate, and that these women were identified by others rather than by district representatives themselves. The male members felt this was arbitrary and non-transparent, and they expressed strong resistance to these women's involvement. A more transparent process and better communications could have avoided this situation, and such will be better ensured in the future.

Security is another major issue affecting women's participation. For example, the inadequate number of women participants in Badghis was due to the security threat from the Taliban, which scared the women from participating. Nevertheless, the NABDP team managed to get eight women to participate through a close collaboration with the Department of Women's Affairs, the women's line ministry and the governor's office.

Implementation Support

Security Conditions Impair the Project Implementation and Monitoring

Due to a worsened security situation three of the six large infrastructure projects in Kandahar financed by CIDA had to be halted; contractors said they were unable to continue their work. A clash between ANA and ISAF forces and insurgents in Chora (Uruzgan) halted the implementation of three projects financed by the Dutch government. Smaller projects in different districts of Kandahar financed under CIDA 200k also had to be halted. In other provinces such as Ghor, Daykundi, Baghlan, Takhar, Faryab and Nangarhar, monitoring often could not be done effectively. Only when the security situation was judged conducive, PRDAs and PRRD engineers were able to visit projects. Several times they found that contractors had misrepresented their progress.

Through its regional office NABDP in Kandahar worked in close collaboration with DDAs, in a tripartite agreement with Community Development Councils (CDCs). One of the preconditions for an agreement was that DDAs would provide security guarantees for staff. This worked out extremely well and resulted in over a thousand community projects being identified. The plan is to replicate this approach in other provinces.

Low Capacity of Contractors Cause Delays and Losses of Construction

Improved monitoring of construction of infrastructure and of contractors has shown that more shortfalls occur than were anticipated. In many occasions, the quality of the construction was below standards, or progress was less than initially reported, and there were some attempts by contractors to bribe MRRD officials to portray their work in a better light. A list of 17 projects is now considered problematic and the responsible contractors have been referred to the legal section of MRRD. This list is, regretfully, growing with underperforming contractors.

We learned that there is very limited or no capacity for specific constructions (large projects: bridges, micro hydro power plants and dams) among local contractors. Many of the underperforming contractors had been contracted from Kabul and did not visit project sites.

Procurement systems are gradually improving: Pre-bidding conferences are often organized, site visits have become obligatory and evaluation systems have been streamlined. Because of NABDP's greater integration within the MRRD the internal flow of information has improved on projects within the project cycle and for this reason appropriate actions can be taken more

rapidly. With the assistance of NABDP quality control support for assessment and monitoring of projects was introduced to the ministry.

Increasingly for larger projects, supervisors are specifically appointed to assist the contractor and to guarantee the quality of projects.

Improved monitoring has caused construction companies to be more careful when implementing contracts. However, it has also revealed more shortfalls. It is at this stage still not fully clear what percentage of projects is handed over in an appropriate condition.

Other problems delay projects

A number of occasions, NABDP encountered social conflicts within and between villages that stopped further implementation of projects; for example, when villagers contested the location of a certain project.

Project collaboration with other ministries caused delays because of drawn out negotiations. NABDP has been working in a programming agreement with five ministries. On the operational level however political infighting can occur and cause delays in implementation. In such cases, NABDP was supported by the minister of MRRD to accelerate implementation, by receiving encouragement for taking pro-active action and proceeding with procurement and implementation of projects.

In specific cases donor, agencies financed only the direct implementation of projects without covering the operational costs. No solution has been found for this as yet, and will be brought to attention at the next steering committee meeting.

Institutional Development

No risks reported for Institutional Development.

Economic Regeneration

Recruiting consultants for the sub-sector analysis and business plan development study

This study requires very specialized expertise. Out of 10 national and international organizations receiving the Request for Proposal (RfP), seven withdrew from the bidding process, some because of lack of necessary expertise, and others because of security incidents in the Southern and Eastern regions. Technically-qualified consulting firms did not submit a proposal for Kandahar and Nangarhar due to security concerns. Efforts are being made to identify competent and relevant consulting firms who could be engaged for these regions.

DIAG

Security Conditions Continue to Impair Implementation of Projects

This is the same as last time!

DIAG is facing security problems all over the country, particularly in the south, east and west regions where police and military forces are insufficiently capable of protecting the communities. The law prohibiting people to possess weapons without registration, which provides legal basis for DIAG operation, is not enforced. The lack of political commitment to DIAG at different levels

creates an environment where only unsatisfactory results of weapon collection and disbandment of IAGs are anticipated.

WatSan (USAID)

Flooding

Due to river flooding in Daykundi province, district Nili, the bridge that provided access to the construction site was destroyed and work was stopped. The reconstruction of the bridge was finished in May and work was restarted. A delay in completing the project is not expected.

Community rejection of site

In Maidan Wardak, a previously-selected spring for connection to a pipe scheme was rejected by the local community, which has houses near the spring. RRD's officers and Implementing Partner will conduct survey of area and propose a new spring for connection to the pipe scheme.

Poor security

Due to poor security conditions in Nooristan province, district Paroon, construction of two pipe schemes was delayed, as a monitoring team from MRRD was not allowed to visit the site. Monitoring will be conducted by RRD officers and a handover will be done by a joint team made up of a district governor's representative, an RRD officer and a local community's representative.

WatSan (Belgium)

Flooding

The site in Daykundi province is also part of the WatSan Belgium and this risk was reported under the USAID portion of the report.

[Updated Project Issues and Actions](#)

Community Empowerment

Selection of Facilitating Partners took more than four months

In the beginning of 2007, NABDP initiated the selection process for Facilitating Partners (FPs) for establishment of District Development Assemblies (DDAs) and formulation of District Development Plans (DDPs) in target districts. The evaluation of proposals submitted by potential FPs was evaluated and submitted to the procurement department of MRRD in March. However, the procurement department did not approve the evaluation report until May. This delay greatly affects delivery by the targets set in the work plan.

To accelerate the approval process, NABDP organised a series of meeting with H. E. Deputy Minister; his support lead to the selection process being finalized; contracts with two FPs were signed in June 2007. To improve the procurement process, MRRD (i) made adjustments to its personnel in the procurement department, and (ii) planned to create a procurement unit within NABDP to facilitate procurement process.

Inadequate Numbers of Female Personnel in the Community Empowerment Component

At the start of the quarter, there were just two female CE team members. Recruiting competent female staff that could travel to all parts of country was a difficult challenge. Three female CDA, four female facilitators and one co-facilitator were ultimately recruited.

Implementation Support

Low Capacity within the PCM Departments in the MRRD Cause Mis-Identification and Poor Surveying, Delays in Procurement and Weak Monitoring

Severe delays, sometimes up to three months, have been identified in the project cycle, and evaluation of documents showed that mistakes were made in following the project cycle. The Planning Department, which manages the cycle, should register projects and follow documents through other departments. NABDP however found that three projects for Nimruz had been 'forgotten' for nearly two years. The Monitoring and Evaluation department certifies the progress and payments of projects. The criteria for certification are unclear, and contractors continued to attempt to bribe ME certifiers to certify construction progress beyond the actual real progress, in order to obtain payments in advance.

These issues result from a number of factors. Firstly, the MRRD is extremely centralized, making communication in and between departments slow and ponderous. This is aggravated by a long-standing culture of top-down management and by-laws and regulations that enforce and perpetuate this culture. Checks and balances are not institutionalized and are often open for interpretation. In addition, many employees are not fully qualified for the job they do.

NABDP assisted in abating these issues by placing competent contracted staff within departments to reduce the competency gap. In line with the programme intentions, a process was engaged to strengthen decentralized structures through regional offices, PRRDs and District Development Assemblies.

Increasing Demands from MRRD for Additional Capacity Assistance by NABDP Reduces Quality of NABDP Core Tasks

MRRD has about 2,500 civil servants and about 500 contracted staff working. Out of these, about 300 are NABDP contracted staff. Especially for work demanding a higher level of expertise, NABDP contracted staff is used. As an illustration: there are 45 engineers placed in the regional offices. These engineers very often are requested for work by governors, PRRD directors and others. At this stage NABDP has not yet formulated a response to this trend. Possible ways to overcome this are: including civil servants in the programme, reviewing together with the MRRD leadership the demands made of NABDP and evaluating these demands in comparison to other programs and to share the demands and burden equally.

Weak Coordination between Programmes Delays Implementation of Contracts

On several occasions NABDP did fund-raising for NRAP, NSP and WATSAN and, as a result, was the contract holder. MoUs are signed between NABDP and other programmes that regulate relations and reporting, however, reporting to NABDP and UNDP by these programs has been weak. This has resulted in weak reporting by UNDP to the donors, and as a consequence, several donors regarded NABDP itself as a weak programme. The donor agency have made aware of this and NABDP is working on strengthening coordination.

NABDP's Role, Functions and Mandate are not Always Well Communicated to PRRDs Causing Conflicts in Priority Setting for NABDP Regional Managers

The MRRD leadership regulated the existence and functions of the NABDP regional office through a correspondence directed at all PRRD and MRRD directors. Many PRRD directors though do not take this into account and have continued issuing instructions to regional managers. This issue has not yet been addressed at this stage. More intensive consultation will have to be developed within the MRRD leadership.

Institutional Development

There are no issues to be reported.

Economic Regeneration

There are no issues to be reported.

DIAG

Progress remains at a standstill

A great portion of DIAG development funding allocated to NABDP and NSP remains untouched, because the implementation of DIAG development projects should follow the result of DIAG weapon collection and disbandment activities (the DIAG operation), but this activity has not been undertaken successfully so far.

WatSan (USAID)

Low-performing contracted company

In Barak and Pul Alam districts, Logar province, the company which was earlier recommended by WatSan for termination of the contract due to low technical capacity was called by MRRD commission to clarify its reasons for delay. The company expressed a willingness to improve its technical capacity. The company then provided an adequate number of drilling machines and resumed construction activities.

Low-performing Implementing Partner

In DaiKudi province, the Implementing Partner for hygiene education and sanitation component of the project had a low progress of work. WatSan has informed the procurement department Implementing Partner will be invited for clarification and plans for the improvement of the quality of the work.

Ramadan could delay project implementation

There is risk for delay in project implementation in September due to the start of Ramadan in Afghanistan. To avoid any delay, WatSan planned to conduct main training activities before starting month of Ramadan.

WatSan (Belgium)

Security in Ghor Province

The contract for construction of 111 water points in Chagcharan and Murghab districts of Ghor province was signed with Nematyar Construction Company (NCC). As the project began, however, looters killed one of the NCC engineers; NCC then resigned from the implementation of the project. It was agreed that NCC can sub-contract with a local construction company; NCC

contracted with Lali Construction Company. The work was slow; according to WatSan monitoring team, the company had constructed only 31 water points. The company was called for a meeting and they promised to increase the number of drilling machines and complete the work.

Community Demands of Bore Wells

In Lal wa Sarjangan district, contract for construction of 50 bore wells was signed with MACEC. A deep hydro-geological survey of the site by DACAAR found only a 20% possibility of undertaking bore wells there, and they recommend hand dug wells instead. The community was insisting for bore wells and warned the company to leave the site or construct bore wells. Their concern was the difference between costs of the different wells. The community was informed through their representative that the funds allocated for this district will be utilized and the number of wells will be increased. MACEC team resumed working on site and has the community support.

Community Latrine Practices

The residents of Lal Wa Sarjangan district of Ghor province, due to multiple use of the latrines, make a separate place for the use of water relating to the disposal of defecation and installed a drainage pipe to drain off this water. The people are not ready to install RCC latrine slabs and instead suggested PCC latrines and making a separate place for draining the water and use of a drainage pipe. The FP requested the RCC slabs to be changed to PCC slabs.

Low-performing Implementing Partner

See the previous section regarding the Daykundi province.

II. IMPLEMENTATION PROGRESS

Community Empowerment

Output 1 (AWP): Comprehensive rural development plans, based on participatory community development processes and economic regeneration assessments and strategies.

(i) Establishment of District Development Assemblies formulation of District Development Plan

NABDP/ MRRD established seven DDAs in five provinces (Kabul, Kapisa, Herat, Badghis, and Nangarhar). There are 30 to 32 members of each DDA, which makes in total more than 224 members in the seven districts. In total about 700 community members participated in the DDA establishment processes.

During the reporting period, two women's subcommittees, with the total number of 55 participants, were established in two districts of Herat; two women subcommittees with a total of 21 participants were established in two districts in Badghis; and one women's subcommittee with 8 participants was established in one district of Kapisa.

A female staff or a gender focal point was present in the whole process of the DDP formulation to make sure that community is completely aware of the women's specific priority projects. In

the provinces where PDC exists, through a briefing and follow-up, PDC members have started supporting women's participation and enhanced establishment of women's subcommittee.

(ii) Sub-national consultation of ANDS and interim provincial development planning workshop

As was mentioned earlier in this report, the government of Afghanistan asked NABDP/MRRD in May 2007 to provide technical support for conducting sub-national national consultations and preparation of interim provincial development plans (SNC-PDP) in 34 provinces by the end of August.

NABDP prepared facilitators' handbook and recruited additional personnel. The SNC-PDP workshop methodology was piloted in Kapisa and Parwan provinces and feedback was used to improve the facilitators' handbook. SNC-PDP workshops were conducted in 10 provinces in total, where 1,362 community representatives (rural and urban residents, Kuchis, refugees and people with disabilities and women included), and 384 representatives of government, donor community, UNAMA, and NGOs participated. An average of 31% (some provinces up to 50%) of participants were women.

The SNC-PDP workshop were a platform for discussion of development strategies between community representatives and government. NABDP facilitated the SNC-PDP process and produced a comprehensive SNC and interim PDP report. The SNC-PDP workshop also enhanced participatory decision-making processes, which NABDP has been doing through DDA and DDP process countrywide.

Implementation Support

(3.3) Review Programme Management Cycle with participation of key departments and programmes involved, to establish a clear process and assumption of accountability

A manual was developed that describes the project cycle treatment within NABDP, per consultations with different departments in MRRD. The next steps include the approval of the MRRD leadership and the mainstreaming within the programme.

Identification of projects is increasingly done after consulting with the DDAs. Projects are not always chosen on the basis of district development plans, however, in many cases, the projects are at least discussed with the DDA in the districts where they take place.

Technical surveys are done by TSU engineers, when they have the possibility to visit the area. The number of surveys to be done for NABDP and other programs, however, surpasses the capacity available, and delays occur. Social economic surveys are not yet done.

Monitoring has improved. PRDAs are better tasked and provide sufficient feedback. The communication with PRRDs has improved and more information is received through a weekly reporting system. This has, however, also resulted in a better insight on weaknesses of contractors. This causes delays in the short term, however will yield better results on the medium and long-term. DDAs are now also involved in monitoring and thus can assist in triangulating information with other information sources.

(3.5) Support the establishment of appropriate coordination and consultation structures at national and provincial levels

On provincial and regional level, NABDP has tasked the PRDAs and Regional Managers to represent the programme in Provincial Development Council meetings. Within these meetings, ministries set the priorities under the leadership of provincial governors. Coordination is also done with relevant other programs as NSP, PRT programs, DIAG, EQUIP, BPHS, and others.

(4.1) Prepare proposals for viable community-based economic regeneration and rural development projects in accordance with the priorities in the regional economic regeneration strategies and the comprehensive rural development plans

The strategies that have been piloted in Kandahar for identification and surveying of community projects are slowly extending in other provinces. 2,984 projects have been identified and surveyed with the inclusion of community forums.

(4.2) Undertake consultation/negotiation with the private sector, the government and the international community to promote investment and mobilise resources for projects

No consultation took place with the private sector during this period. Identification missions were held in Balkh and Bamyan. DDAs are not yet fully operational. Since the sub-national consultations on behalf of ANDS, an unplanned additional activity, the operationalization of DDAs has been considerably slowed down.

(4.3) Establish partnerships/ MoUs with UNHCR, ANBP, UNICEF and relevant Ministries/ Departments for the implementation of Reintegration, DIAG and Alternative Livelihoods activities

The agreement with UNHCR has come to an end in the previous reporting period and was not renewed. The DIAG program continues and regular interaction and consultation is done through a joint secretariat. With regards to alternative livelihoods the programme in Kandahar under CIDA, funding continues and has been extended. Discussions were initiated for programme linkage between NABDP and the CNTF. Discussions were also held to construct housing for IDPs and returnees in Kandahar under USAID funding.

Assistance was rendered to the emergency department of MRRD.

(4.4) prepare proposals for improving livelihoods and living conditions for poppy farmers, disbanded illegal armed groups, returnees and other vulnerable groups within the framework of the comprehensive rural development plans.

Under CNTF, 18 projects are ongoing, while another 20 are under preparation.

(4.5) Undertake consultation/ negotiation with the government and international community to mobilize resources for the projects

Regular interaction occurred with the donors (Steering Committee meeting and donor field visit) and supporters of NABDP: CIDA, USAID, Japan, Belgium, Norway, UNDP and the Netherlands.

All indicated to be willing to extend their collaboration this year. Another promising contact was made with the British embassy. The negotiations for investments in Helmand province are ongoing.

NABDP now implements on behalf of MRRD the PAG allocation for 31 projects in the south of Afghanistan, and manages the CNTF window under the office of the Deputy Minister for Programmes. Regular consultations took place for these programs. A one-time donation of vehicles to MRRD is under negotiation with the ANBP programme.

(4.6) Coordinate, determine and execute implementation arrangements among all relevant partners and stakeholders

Within the regions, regular exchange took place with PRTs, donor funded programs and governors. This was in the framework of the PDC or on bilateral level.

Institutional Development

Output 3 (AWP): Strengthened management and implementation capacity of MRRD and relevant partner institutions to address rural development and economic regeneration needs and priorities.

Supported the Office of the Deputy Minister for Programmes in incorporating the Planning and Provincial Liaison Departments as a foundation/ structure for monitoring, coordination and planning.

A series of consultations with the planning department and its new director resulted in finalization of the log frame of the department and three year work plan both in English and Dari versions. The follow-up workshop on operationalization of the MRRD Strategic Intent has been conducted.

Supported the office of the Deputy Minister for Programmes to take responsibility for programmes management, developing appropriate policies, planning, budgeting and conducting regular reviews/ reporting.

Based on the request of H.E. Asif Rahimi, ID has provided technical assistance to the NRAP programme. There were several meetings with NRAP staff, which resulted in documents about future project implementation arrangements, which were submitted to the World Bank.

Supported the establishment of appropriate coordination and consultation structures at national and provincial levels.

The Evaluation of two technical proposals on the PDC Database is ongoing.

Improved the efficiency of key departments/ programmes through providing managers and other key staff with appropriate supervisory and people management skills and tools: The ID team facilitated the MRRD Departments' Directors workshop on June 25, 2007, organized by the Minister's office. The ID team provided a follow-up on technical assistance to directors, who requested such support after the workshop. As the result, directors were able to fill in the Implementation Plan Matrix and submit it to minister's office in a timely manner. The workshops on the operationalisation of the MRRD Strategic Intent for Rural Livelihood and Energy (RLED)

and Water and Sanitation (WatSan) Departments have been completed. There was a series of meetings with the RLED director to formulate the departments' purpose.

Improved technical capacity through providing specialised/ technical support in finance, procurement, human resources, engineering, etc.

The NABDP procurement team has handled 74 work contracts and 8 services contracts in various provinces (Kabul, Bamyan, Daykundi, Faryab, Mazar, Baghlan, Badakhshan, Takhar, Helmand, Uruzgan and Zabul). Contracts handled during last quarter: 35 contracts signed, 8 contracts ready for signing, 31 projects at various stages of procurement.

In Kandahar we have established a small procurement unit (involving one Procurement Support Officer and two Junior Procurement Support Officer). Contracts handled during last quarter in Kandahar region are as below: 73 contracts signed, 34 work contracts are on various stages of procurement, 80 contracts to be implemented by the communities and the total number of contracts handled is 187.

Economic Regeneration

Output 1 (AWP): Output 1: Comprehensive rural development plans, based on participatory community development processes and economic regeneration assessments and strategies.

(1.4) Expert socio-economic assessments of provinces/ regions

The initial socio-economic assessments of the provinces/ regions have been completed and niche sectors for economic regeneration have been identified. For detailed socio-economic characterization and economic potential realization, feasibility studies in the niche sectors in selected provinces/ regions, namely northern region (Balkh), western region (Herat) have been contracted to Afghanistanid' and DACAAR respectively.

(1.6) Develop economic regeneration scenarios and strategies

Another strategy, in addition to the feasibility analysis, is the Mass Mobilization into Entrepreneurship (MME). The main objective of MME is to stimulate the creation of a large number of micro enterprises by individuals or groups drawn from the poorest sections of rural communities, particularly women, in order to generate local employment and increase local economic activity, and thus contribute to rural poverty alleviation. The expression of interest (EOI) for MME has been published in two national newspapers and on the MRRD and UNDP websites.

(1.11) Conduct feasibility studies of prioritized economic regeneration projects in collaboration with UNDP's Partnerships for Private Sector Development

The process for hiring the consultant for sub-sector analysis and business plan development continued. To ten short-listed consulting firms the Request for Proposals (RFP) was sent. The last date for submitting the proposal was 12 June 2007. A pre-proposal conference for the project was conducted on 29 May 07. The main objective of the pre-proposal conference was to clarify the issues related to ToRs of the project. Fourteen participants, including the NABDP Programme Manager and a MRRD Procurement Unit representative, participated in the conference. Conference minutes were sent to all the participants. By the deadline of the proposal submission date, seven organizations had withdrawn from the bidding process and only three organizations submitted their proposals. A committee, approved by the Deputy

Minster on, carried out the technical and financial evaluation of the proposals. Only Afghanaid, with 91 scores, and DACAAR, with 89 scores, were found qualified. On 14 June the financial proposal for Afghanaid and DACAAR were opened in the presence of the evaluation committee and representatives of Afghanaid and DACAAR. The technical and financial evaluations of the proposals were completed as per the pre- defined evaluation criteria. Finally, for the western region (Herat), DACAAR and for the northern region (Balkh), Afghanaid was recommended for awarding the contract. The final contracts for these two regions were awarded on 17 June 07.

Output 2 (AWP): Rural development policies developed and adopted by the Government and other relevant stakeholders, providing frameworks for viable interventions for economic regeneration, poverty reduction and improving livelihoods

(2.1) Support Afghan Institute for Rural Development (AIRD) to secure additional funds

The AIRD prepared a business plan for 2007 and it was submitted to various organizations, including UNDP, for generating more financial resources for the AIRD. The AIRD continued the work for developing the concept paper on training needs of MRRD.

(2.2) Ongoing monitoring and analysis of preparation and implementation of comprehensive rural development plans and regional economic regeneration strategies

District development plans (DDPs) and provincial development plans (PDPs), with communities' and other stakeholders' participation, are being developed, by the community empowerment unit. The economic development priorities identified in DDPs and PDPs will be analyzed by the Economic Regeneration Unit for their technical feasibility and economic viability. The output of these feasibility studies will contribute to economic regeneration strategies and the rural development plans.

(2.3) Policy feedback and ongoing review of rural development policy framework

The work on the improvement of Rural Enterprise Development (RED) policy framework continued. The analysis of research in rural enterprise development programming revealed that the "typical" barriers and constraints to the development of rural enterprises are generally described as: (i) lack of 'capital' needed to purchase equipment, inputs, services, etc. due to unsuitable, non-existent or inaccessible formal financial sources; (ii) lack of knowledge about basic business management, regulations, standards, market identification, appropriate technology, etc.; (iii) lack of infrastructure (such as roads, electricity, communications, community market venues, cold storage, etc.) needed to improve productivity and access to markets for inputs and outputs; (iv) lack of basic and technical education (such as literacy, computer use, vocational skills, etc.) needed to improve productivity, product quality and personal confidence; and (v) lack of an enabling and supportive regulatory environment geared to facilitate the creation of micro and small enterprises to stimulate growth.

DIAG

Output 1 (AWP): Comprehensive rural development plans, based on participatory community development processes and economic regeneration assessments and strategies.

(1.9) Determine rural development priorities for implementation including those targeting poppy farmers, disbanded illegal armed groups and returnees

The District DIAG Implementation (DDI) project requested the NABDP DIAG Coordination Unit (DCU) to accelerate the establishment of DDAs in the DIAG target districts by using the

NABDP-DIAG development budget. DDA establishment and formulation of DDP was done in the following districts: Pashtone-Zarghone and Obey district (Herat), Ab-e Kamari and Jawand district (Badghis), Kohband district (Kapisa), Farza district (Kabul), Dara-e Noor district and Mohmand–dara (Nangarhar).

The Community Empowerment Team, with the help of the Community Led Development Department (CLDD), deployed to Salang district of Parwan province. The team will establish the DDA and formulate the DDP and also identify the suitable DIAG development project in the mentioned district, of Parwan province.

The designing of a hydro-power plant in Farkhar district, Takhar province, has been completed by the RITS department and as well reviewed by Japanese Hydro Power expert the HP expert has taken all technical documents to Japan to further discuss it with his core agency and provide DIAG Coordination Unit with a final report.

WatSan (USAID)

Output 3 (AWP): Strengthened management and implementation capacity of MRRD and relevant partner institutions to address rural development and economic regeneration needs and priorities.

Meetings with implementing partners and RRD representatives took place on weekly basis. Monitoring teams have done the handover of one pipe scheme, in Nooristan Province.

Training in Hygiene education subject for hygiene education trainers involved in projects in provinces Logar, Kapisa, Daikundi, Maidan Wardak and Nooristan was conducted.

IRD assigned by USAID made site evaluation of the projects. MRRD officers also took part in activities on the site. Producing of final evaluation report is ongoing.

For the operation and maintenance programme component, a modified proposal was reviewed. According to the instruction by the procurement department a modified proposal was sent for re-announcement.

In Khorasan district, Kabul province, after the selection of the new well location and no objection by the local community for starting with construction activities, the project was started and construction work is now ongoing.

In mentioned provinces hygiene education and sanitation component of the projects is on going as well.

The following table provides an overview of ongoing project locations, project status and percentage of progress in construction of water points:

No	Project Location		Planned Activities of the Project				Well Status		Progress (%)
	Province	District	Wells	Pipe Scheme	Water Reservoir	Stand Post	Completed	Ongoing	
1	Maidan-Wardak	Maid-Shar	24				8		33%
2	Kabul	Zere Kotal		1	1	36			60%
4	Kabul	Khorasan		1	1	30			40%
5	Dai Kundi	Nili	9				7	2	80%
6	Maidan-Wardak	Maid-Shar		1		149			95%
7	Logar	M.Agha	18				17	1	90%
8	Logar	Pul Alam	32				13	7	45%
9	Logar	Baraki Barak	37				9	6	35%
11	Kapisa	Kohistan (II)	24				10	4	45%
13	Nuristan	Paron		1	1	11			100%
14	Nuristan	Paron		1	1	20			90%

WatSan (Belgium)

The following table provides an overview of ongoing projects, their status and progress in %:

Hard Component of the Project

Sn	Location		Planned Activities			Completed Activities			Progress In %
	Province	District	Wells	Pipe Scheme	Stand Posts	Wells	Pipe Scheme	Stand Posts	
1	Daykundi	Neli, Sharistan, Sang Takht Bandar	72	0	0	30	0	0	41.67
2		Khidar and Geti	44	0	0	28	0	0	63.64
4	Ghor	Lal wa Sarjanganal	50	0	0	15	0	0	30
5		Chighchiran, Murghab and Qurullah	111	0	0	31	0	0	27.93
6		Pasaband-dolaina, Chighchiran, Qara allahyar	90	0	0	40	0	0	44.44

Soft Component

Project Location		Planned Activities		Completed Activities		Progress %
Province	District	Latrines	Hygiene Education (Person)	Latrines	Hygiene Education	
Daykundi	Neli, Sharistan, Sang Takht Bandar, Khidar and Geti	363	63,525	70	2 nd round of house visits in progress	19.28*
Ghor	Lal wa Sarjanganal, Chighchiran, Murghab, Qurullah, Pasaband-dolaina, Chighchiran, Qara allahyar	375	65,625	12	2,100	3.2**

* In Daykundi ROA progress is very slow; they haven't attended monthly meetings since last two months while they were regularly informed, their reports are collected by phone.

** It was wrong reported in the previous report (375 latrines completed), DACAAR had only completed 147 latrines and material was ready to distribute for the remaining latrines.

III. FINANCIAL STATUS AND UTILISATION

Financial Status.

Table 1: Contribution Overview [start date of the project – end date of project]¹

Donor	Contributions		Contribution Balance
	Committed	Received	
Belgium	17,904,509	11,285,220	6,619,289
CIDA	25,160,816	25,160,816	-
Italy	5,767,087	5,767,087	-
Japan	42,284,864	42,284,864	-
Norway	2,880,099	1,880,099	1,000,000
UK	1,562,500	1,562,500	-
UNHCR	4,574,496	4,574,496	-
USA	18,165,309	18,165,309	-
UNDP	3,189,381	3,189,381	-
Netherlands	2,100,000	1,470,000	630,000
Total	123,589,061	115,339,772	8,249,289

Financial Utilization.

¹ The “resource overview” can be any kind of chart (a pie chart, for example, would be an effective way of demonstrating a funding gap).

Table 2: Quarterly Expenditure by Activity [1 January – 31 December]

National Area Based Development Programs (NABDP)

Financial table by
Activitywise 2007

ACTIVITY	BUDGET 2007	1st QTR (Jan-Mar 2007)	2nd QTR (Apr-Jun- 07)	Expendi- ture not in ATLAS	Obligation	Total Expendi- tures	BALANCE	DELIVERY (%)
ACTIVITY16 [ECONOMIC REGENERATION]	228,799	75,719	135,060	60,952	-	271,731	(42,932)	119%
ACTIVITY17 [CAPACITY BUILDING]	4,358,575	279,288	1,507,151	1,048,352	-	2,834,791	1,523,784	65%
ACTIVITY18 [IMMEDIATE RECOVERY PROJECT]	30,857,954	450,686	1,215,114	3,003,051	9,622,595	14,291,447	16,566,507	46%
ACTIVITY19 [PROGRAMME MANAGEMENT]	2,002,101	373,515	352,660	327,512	-	1,053,687	948,414	53%
ACTIVITY20 [COMMUNITY DEVELOPMENT]	1,874,036	110,630	80,902	108,286	-	299,817	1,574,219	16%
ACTIVITY21 [KANDAHAR IALP, 200K..]	9,072,619	-	366,951	1,027,685	5,440,875	6,835,511	2,237,108	75%
ACTIVITY22 [DIAG]	14,285,714	-	5,768	217,979	450,000	673,747	13,611,967	5%
ACTIIVTY5 [UNHCR WATSAN]	686,044	2,145	118,978	21,028	334,378	476,529	209,515	69%
ACTIVITY7 [USAID WATSAN]	1,827,170	45,875	212,199	204,080	1,272,872	1,735,025	92,145	95%
ACTIVITY1 [PROGRAMME MANAGEMENT- DEX]	808,704	100,633	112,330	44,004	12,566	269,532	539,172	33%
GMS	3,110,605	-	53,079	476,067	776,091	1,305,237	1,805,368	42%
Total	69,112,321	1,438,490	4,160,191	6,538,996	17,909,376	30,047,054	39,065,267	43%

Table 3: Quarterly Expenditure by Donor [start date – end date of quarter]

National Area Based Development Programs (NABDP)

Financial Report covers the period from 1st Jan 2007 till 30th June 2007

Donors	Activity	Budget (Year)	1st QTR (Jan-Mar-07)	2nd QTR (Apr-Jun-2007)	Expenditure not in ATLAS	Obligated Sub Project	Total Expenditures	Balance	Delivery Rate
UNHCR	UNHCR Water Supply	686,044	2,145	118,978	21,028	334,378	476,529	209,515	
	UNHCR Reintegration	-			-		-	-	
	GMS* 5%	34,302	-		7,108	16,719	23,826	10,476	
Sub Total (UNHCR)		720,346	2,145	118,978	28,136	351,097	500,355	219,991	69%
Belgium	Economic Regeneration	25,051	28,574	15,149			43,723	(18,672)	
	Capacity Building	1,106,589	63,475	306,900	73,735		444,111	662,478	
	Immediate Recovery Project	5,318,825	208,888	598,802	51,923	2,755,808	3,615,421	1,703,404	
	Programme Management	348,583	-	140,596	61,901		202,497	146,086	
	Community Development	400,000	63,735	15,334			79,068	320,932	
	Programme Management DEX	433,820	2,179	56,333			58,512	375,308	
	GMS* 3%	228,986	-	21,278	29,379	82,674	133,331	95,655	
Sub Total (Belgium)		7,861,854	366,851	1,154,391	216,938	2,838,482	4,576,662	3,285,192	58%
Japan	Economic Regeneration	203,748	47,145	119,912	60,952		228,008	(24,260)	
	Capacity Building	1,996,900	231,838	1,062,862	156,332		1,451,031	545,869	
	Immediate Recovery Project	17,647,659	46,411	22,970	606,931	1,834,990	2,511,303	15,136,356	
	Programme Management	1,277,770	249,268	176,591	220,539		646,398	631,372	
	Community Development	975,600	46,895	50,408	59,461		156,764	818,836	
	Programme Management DEX	37,800		8,165			8,165	29,635	
	GMS* 5%	1,106,974	-	1,890	156,413	91,750	250,052	856,922	
Sub Total (Japan)		23,246,451	621,557	1,442,797	1,260,628	1,926,740	5,251,721	17,994,729	23%

USA	Economic Regeneration	-			-		-	-	
	Capacity Building	-			-		-	-	
	Immediate Recovery Project	4,761,905		127,530	1,476,519	1,377,956	2,982,005	1,779,900	
	Programme Management	-	540				540	(540)	
	Community Development	289,636			37,500		37,500	252,136	
	USAID Water Supply	1,827,170	45,875	212,199	204,080	1,272,872	1,735,025	92,145	
	Programme Management DEX	16,441	28,545				28,545	(12,104)	
	GMS* 5% & 3%	308,214	-	13,275	82,247	107,084	202,606	105,608	
Sub Total (USA)		7,203,366	74,960	353,003	1,800,346	2,757,912	4,986,221	2,217,145	69%
CIDA	Capacity Building	1,224,986	(16,025)	137,389	818,285		939,649	285,337	
	Immediate Recovery Project	1,613,995	195,387	465,812	810,607	2,354,667	3,826,473	(2,212,478)	
	Programme Management	339,648	1,817	19,581	45,072		66,470	273,178	
	Community Development	-			-		-	-	
	Kandahar Activity (IALP+200K ...)	9,072,619		366,951	1,027,685	5,440,875	6,835,511	2,237,108	
	Programme Management DEX	284,663	69,909	47,833	44,004	12,566	174,311	110,352	
	GMS* 5%	626,796		14,758	185,074	390,405	590,237	36,559	
Sub Total (CIDA)		13,162,707	251,087	1,052,323	2,930,726	8,198,513	12,432,650	730,056	94%
UK	Programme Management NEX	-	(5)		-		(5)	5	
	Programme Management DEX	13,987			-		-	13,987	
	GMS* 3%	420		721			721	(301)	
Sub Total (UK)		14,407	(5)	721	-	-	716	13,691	5%
UNDP	Programme Management	-	123,690	4,650			128,340	(128,340)	
	UNDP TTF (IDP Project)	-			-		-	-	
Sub Total (UNDP)		-	123,690	4,650	-	-	128,340	(128,340)	0%
Japan-DIAG	DIAG Activity	14,285,714		5,768	217,979	450,000	673,747	13,611,967	
	GMS* 5%	714,286			11,187	22,500	33,687	680,598	
Sub Total (Japan DIAG)		15,000,000	-	5,768	229,166	472,500	707,434	14,292,565	5%

Norway	Capacity Building	30,100			-		-	30,100	
	Immediate Recovery Project	1,515,570			57,071	1,299,174	1,356,245	159,325	
	Programme Management	36,100		11,242			11,242	24,858	
	Community Development	208,800		15,160	11,325		26,485	182,315	
	GMS* 5%	89,529			4,660	64,959	69,619	19,910	
Sub Total (Norway)		1,880,099	-	26,402	73,056	1,364,133	1,463,591	416,508	78%
Italy	Programme Management DEX	21,993					-	21,993	
	Programme Management NEX	-	(1,794)				(1,794)	1,794	
	GMS* 5%	1,100		1,158		-	1,158	(58)	
Sub Total (Italy)		23,093	(1,794)	1,158	-	-	(637)	23,730	-3%
Grand Total		69,112,321	1,438,490	4,160,191	6,538,996	17,909,376	30,047,054	39,065,267	43%

* The budget allocation is initiated and will be reflected in the system soon.

ANNEX I. PROGRESS SUMMARY BY DONOR

DONOR NAME: CIDA 200k

I. Contribution Summary

	TYPE	DESCRIPTION OF ALLOCATION	COMMITMENT (LOCAL CURRENCY)	RECEIVED (USD)	DISBURSED (USD)	CONTRACT END DATE
A	Unearmarked	NABDP Phase []				
	Total Earmarked (A)					
B	Earmarked	IALP-Kandahar				
		QIP-Kandahar				
		ETC				
	Total Earmarked (B)					
TOTAL						

*Commitment = Signed Agreement. If there are multiple Amendments to an agreement, they are all lumped together under a single agreement

**If the contribution is unearmarked, under "Description of Allocation", put NABDP Phase I or II. If the contribution was for Phase I, only include the carried-over balance under "Received", and leave "Commitment" column blank.

II. Implementation Progress Supported by [DONOR] During the Reporting Period

A. Earmarked

(4.1) prepare proposals for viable community-based economic regeneration and rural development projects in accordance with the priorities in the regional economic regeneration strategies and the comprehensive rural development plans

i. Implementation Progress

- **Activity 1: identification and surveying of community projects.** The RSU in Kandahar identified over 1400 projects, of which a part was implemented under CIDA 200k
- **Activity 2: 78 projects were procured in Kandahar, and in a tripartite agreement between CDC's and DDA's implemented.** These projects concerned the districts of Arghandab, Arjistan, Dand, Ghorak, Maruf, Panjwai, Shurabak, Spin Boldak, Takhtapul.
- **Activity 3: follow up was done from the office in Kandahar and DDA's became involved in providing information**

ii. Risks, Issues and Actions

- **Lack of security stopped implementation in the districts of Registan, Maruf. The DDA's informed the regional office of this and advised to wait with assistance to implementation till the situation would improve**

DONOR NAME: CIDA 6 projects

I. Contribution Summary

	TYPE	DESCRIPTION OF ALLOCATION	COMMITMENT (LOCAL CURRENCY)	RECEIVED (USD)	DISBURSED (USD)	CONTRACT END DATE
A	Unearmarked	NABDP Phase []				
	Total Earmarked (A)					
B	Earmarked	IALP-Kandahar				
		QIP-Kandahar				
		ETC				
	Total Earmarked (B)					
TOTAL						

*Commitment = Signed Agreement. If there are multiple Amendments to an agreement, they are all lumped together under a single agreement

**If the contribution is unearmarked, under "Description of Allocation", put NABDP Phase I or II. If the contribution was for Phase I, only include the carried-over balance under "Received", and leave "Commitment" column blank.

II. Implementation Progress Supported by [DONOR] During the Reporting Period

A. Earmarked

1. COMPONENT OR RRF(or AWP) OUTPUT

iii. Implementation Progress

- Activity 1: Six bigger projects, being 4 bridges, 3 check dams, and the Poge Hill pass were surveyed and procured
- Activity 2: Engineers provided quality control support to the contractors

iv. Risks, Issues and Actions

- 3 of the six projects could not start because of security issues. These were: the Poge hill pass, the 3 Ghorak check dams, and the bridge at Tarnak

DONOR NAME: CIDA Free 2006 - 2008

I. Contribution Summary

	TYPE	DESCRIPTION OF ALLOCATION	COMMITMENT (LOCAL CURRENCY)	RECEIVED (USD)	DISBURSED (USD)	CONTRACT END DATE
A	Unearmarked	NABDP Phase []				
	Total Earmarked (A)					
B	Earmarked	IALP-Kandahar				
		QIP-Kandahar				
		ETC				
	Total Earmarked (B)					
TOTAL						

*Commitment = Signed Agreement. If there are multiple Amendments to an agreement, they are all lumped together under a single agreement

**If the contribution is unearmarked, under "Description of Allocation", put NABDP Phase I or II. If the contribution was for Phase I, only include the carried-over balance under "Received", and leave "Commitment" column blank.

II. Implementation Progress Supported by [DONOR] During the Reporting Period

A. Earmarked

2. COMPONENT OR RRF(or AWP) OUTPUT

v. Implementation Progress

- Activity 1: 55 projects have been identified under this funding, most often through the minister's office. 25 of these have been completed. 17 are still being constructed, while 5 are being procured. 7 are kept 'on hold'.
- Activity 2: The full project cycle management is done for these projects: identification, surveying, procurement, contracting, monitoring.
- Activity 3: There are now 7 regional offices in place (Herat, Kandahar, Jalalabad, Kunduz, Gardez, Bamyan and Mazar e Sharif), 4 of which receive support from international advisors.

vi. Risks, Issues and Actions

- Issue 1: 7 projects were kept 'on hold' for various reasons. These included ambiguity about the Bill of Quantity,

contractors that were unable to fulfil their obligations, and mis-identification. These projects are now reviewed within the provinces and will eventually be re-introduced.

DONOR NAME: USAID QUIP

I. Contribution Summary

	TYPE	DESCRIPTION OF ALLOCATION	COMMITMENT (LOCAL CURRENCY)	RECEIVED (USD)	DISBURSED (USD)	CONTRACT END DATE
A	Unearmarked	NABDP Phase []				
	Total Earmarked (A)					
B	Earmarked	IALP-Kandahar				
		QIP-Kandahar				
		ETC				
	Total Earmarked (B)					
TOTAL						

*Commitment = Signed Agreement. If there are multiple Amendments to an agreement, they are all lumped together under a single agreement

**If the contribution is unearmarked, under "Description of Allocation", put NABDP Phase I or II. If the contribution was for Phase I, only include the carried-over balance under "Received", and leave "Commitment" column blank.

II. Implementation Progress Supported by [DONOR] During the Reporting Period

A. Earmarked

3. COMPONENT OR RRF(or AWP) OUTPUT

vii. Implementation Progress

- **Activity 1:** 116 projects, taken from the Kandahar priority list were introduced for funding, from the war affected districts of Zhare, Panjwai, Nish and Kakhruz. Of these 86 are finished, 28 are ongoing, 1 has not yet started and 1 was cancelled;
- **Activity 2:** Regular monitoring visits were made to the projects in close collaboration with the DDA's;
- **Activity 3:** The regional office in Kandahar provided technical and administrative support, and was in regular contact with the Kabul office for handling management and financial issues.

viii. Risks, Issues and Actions

- **Issue 1: Security halted on several occasions the identification and monitoring of projects. This was overcome by continuous interaction with DDA's**

DONOR NAME: CIDA IALP Kandahar

I. Contribution Summary

	TYPE	DESCRIPTION OF ALLOCATION	COMMITMENT (LOCAL CURRENCY)	RECEIVED (USD)	DISBURSED (USD)	CONTRACT END DATE
A	Unearmarked	NABDP Phase []				
	Total Earmarked (A)					
B	Earmarked	IALP-Kandahar				
		QIP-Kandahar				
		ETC				
	Total Earmarked (B)					
TOTAL						

*Commitment = Signed Agreement. If there are multiple Amendments to an agreement, they are all lumped together under a single agreement

**If the contribution is unearmarked, under "Description of Allocation", put NABDP Phase I or II. If the contribution was for Phase I, only include the carried-over balance under "Received", and leave "Commitment" column blank.

II. Implementation Progress Supported by [DONOR] During the Reporting Period

A. Earmarked

4. COMPONENT OR RRF(or AWP) OUTPUT

ix. Implementation Progress

- Activity 1: 101 projects were introduced for funding by MRRD, of which 54 are ongoing, 44 are completed and 3 have been postponed.
- Activity 2: MoAgr introduced 1 project – the construction of an agricultural center in Maiwand – however the wrong BoQ during the bidding process halted the procurement and inception. MoAgr has 2 additional projects in preparation
- Activity 3: Ministry of Irrigation introduced one project – the 22 km canal cleaning in Tarnak.
- The coordination committee in Kandahar met during the reporting period twice.

x. Risks, Issues and Actions

- Issue 1: A request was approved for changing Marouf district for Shahwalikot district. Marouf is now nearly inaccessible

because of the insurgency, and the DDA advised NABDP to postpone its support to this district;

- **Issue 2: not all ministries understand the necessary procedures, and have requested for advise on how to make the processes between ministries more equitable. Its for this reason that the ToR need to be translated in Dari and distributed between all ministries.**

DONOR NAME: Norway - Faryab

I. Contribution Summary

	TYPE	DESCRIPTION OF ALLOCATION	COMMITMENT (LOCAL CURRENCY)	RECEIVED (USD)	DISBURSED (USD)	CONTRACT END DATE
A	Unearmarked	NABDP Phase []				
	Total Earmarked (A)					
B	Earmarked	IALP-Kandahar				
		QIP-Kandahar				
		ETC				
	Total Earmarked (B)					
TOTAL						

*Commitment = Signed Agreement. If there are multiple Amendments to an agreement, they are all lumped together under a single agreement

**If the contribution is unearmarked, under "Description of Allocation", put NABDP Phase I or II. If the contribution was for Phase I, only include the carried-over balance under "Received", and leave "Commitment" column blank.

II. Implementation Progress Supported by [DONOR] During the Reporting Period

A. Earmarked

5. COMPONENT OR RRF(or AWP) OUTPUT

xi. Implementation Progress

- Activity 1: 13 projects have been identified, of which 10 are ongoing, 2 have been introduced for a renewed tender, and 1 has been suspended
- Activity 2: A regional office is placed in the north, in Mazar-i Sharif, and one PRDA in Maimana follows projects with DDAs in the province. A community development advisor furthermore assists in the training of DDAs.

xii. Risks, Issues and Actions

- Issue 1: 2 projects had to be introduced for renewed bidding. The first evaluation showed that there were insufficient qualified companies who could propose a valid bid. The only solution at that stage was to restart the bidding process

Japan CRD

I. Contribution Summary

	TYPE	DESCRIPTION OF ALLOCATION	COMMITMENT (LOCAL CURRENCY)	RECEIVED (USD)	DISBURSED (USD)	CONTRACT END DATE
A	Unearmarked	NABDP Phase []				
	Total Earmarked (A)					
B	Earmarked	IALP-Kandahar				
		QIP-Kandahar				
		ETC				
	Total Earmarked (B)					
TOTAL						

*Commitment = Signed Agreement. If there are multiple Amendments to an agreement, they are all lumped together under a single agreement

**If the contribution is unearmarked, under "Description of Allocation", put NABDP Phase I or II. If the contribution was for Phase I, only include the carried-over balance under "Received", and leave "Commitment" column blank.

II. Implementation Progress Supported by [DONOR] During the Reporting Period

A. Earmarked

6. COMPONENT OR RRF(or AWP) OUTPUT

xiii. Implementation Progress

- Activity 1: The following are the projects under implementation. In Balkh there are 20 projects. 19 of these are in procurement, and 1 is ongoing. In Nangarhar 7 projects are in preparation. In Bamyan 4 projects are under procurement and 3 or ongoing. Lastly in Kandahar 14 projects are within the portfolio: 12 are ongoing, 1 is completed, and 1 is postponed.
- Activity 2: Regional offices in Jalalabad, Mazar, Kandahar and Bamyan are staffed and functional

xiv. Risks, Issues and Actions

- Issue 1: The procurement of projects in Nangarhar and Balkh was delayed due to issues within the RITS and procurement departments. Within the last period extra attention is given and we anticipate their rapid inception.

Belgium

I. Contribution Summary

	TYPE	DESCRIPTION OF ALLOCATION	COMMITMENT (LOCAL CURRENCY)	RECEIVED (USD)	DISBURSED (USD)	CONTRACT END DATE
A	Unearmarked	NABDP Phase []				
	Total Earmarked (A)					
B	Earmarked	IALP-Kandahar				
		QIP-Kandahar				
		ETC				
	Total Earmarked (B)					
TOTAL						

*Commitment = Signed Agreement. If there are multiple Amendments to an agreement, they are all lumped together under a single agreement

**If the contribution is unearmarked, under "Description of Allocation", put NABDP Phase I or II. If the contribution was for Phase I, only include the carried-over balance under "Received", and leave "Commitment" column blank.

II. Implementation Progress Supported by [DONOR] During the Reporting Period

A. Earmarked

7. COMPONENT OR RRF(or AWP) OUTPUT

xv. Implementation Progress

- Activity 1: 67 projects are placed under Belgium: 14 in Daikundi, 18 in Ghor, 12 in Nimroz, and 23 in Uruzgan
- Activity 2: PRDA's are placed in each of the 4 provinces and facilitate among others identification and monitoring of projects

xvi. Risks, Issues and Actions

- Issue 1: Procurement delays happened for projects in all 4 provinces. Because of better organization this is now accelerated.
- Issue 2: certain projects might be removed from the list and be replaced by others in case further investigations show that contractors are incapable of continuing

Netherlands

I. Contribution Summary

	TYPE	DESCRIPTION OF ALLOCATION	COMMITMENT (LOCAL CURRENCY)	RECEIVED (USD)	DISBURSED (USD)	CONTRACT END DATE
A	Unearmarked	NABDP Phase []				
	Total Earmarked (A)					
B	Earmarked	IALP-Kandahar				
		QIP-Kandahar				
		ETC				
	Total Earmarked (B)					
TOTAL						

*Commitment = Signed Agreement. If there are multiple Amendments to an agreement, they are all lumped together under a single agreement

**If the contribution is unearmarked, under "Description of Allocation", put NABDP Phase I or II. If the contribution was for Phase I, only include the carried-over balance under "Received", and leave "Commitment" column blank.

II. Implementation Progress Supported by [DONOR] During the Reporting Period

A. Earmarked

8. COMPONENT OR RRF(or AWP) OUTPUT

xvii. Implementation Progress

- Activity 1: 8 projects were procured under funding from the Netherlands and are under execution. Three have been finalized.
- Activity 2: Surveying support was rendered out of the Kandahar regional office

xviii. Risks, Issues and Actions

- Issue 1: 2 projects were halted, because the contractor asked for change of design. It is judged that the contractor does not intend to continue, and a renewed call for proposals will be made. In one case the security situation impeded the work of the contractor.
- Issue 2: The Uruzgan office does not have sufficient resources for more pro-active monitoring. Negotiations are underway with the Dutch donor to correct this situation.

USAID

I. Contribution Summary

	TYPE	DESCRIPTION OF ALLOCATION	COMMITMENT (LOCAL CURRENCY)	RECEIVED (USD)	DISBURSED (USD)	CONTRACT END DATE
A	Unearmarked	NABDP Phase []				
	Total Earmarked (A)					
B	Earmarked	IALP-Kandahar				
		QIP-Kandahar				
		ETC				
	Total Earmarked (B)					
TOTAL						

II. Implementation Progress Supported by [DONOR] During the Reporting Period

A. Earmarked

9. COMPONENT OR RRF(or AWP) OUTPUT

xix. Implementation Progress

Maidan Wardak Province:

- Construction of 24 wells in Maidand-Shar District. Eight wells constructed, for 16 wells, awarding of contract and construction work will be starting in July.
- Construction of pipe scheme in Madan-Shar District. 95% of the work is finished.
- Hygiene a education and sanitation project is ongoing. 90% of the work is finished.

Kabul Province

- Construction of pipe scheme in district Zerikotal. 60% of the work is finished.
- Construction of pipe scheme in district Khorasan. 40% of the work is finished.
- Construction of pipe scheme in district Istalif, awarding will be in July.
- Hygiene education and sanitation project is on going and 40 % is finished.

Daykundi Province

- Construction of 9 wells in district Nili. 80% of the work is finished
- Hygiene education project is ongoing.

Logar Province

- Construction of 87 wells in district Muhammed Agha, Puli Alam and Baraki Barak. 45% of the work is finished
- Hygiene education and sanitation project is ongoing 80% of the work is finished.

Kapisa

- Construction of 24 wells in district Kohistan 2. 40% of the work is finished. In Nejrab and Kohistan 1 awarding of the contract and starting with construction work will be in July 2007.
- Hygiene education and sanitation project is ongoing 40% of the work is finished.

Nooristan

- Construction of two pipe schemes in Paron district. One of two pipe schemes is 100% finished. For second pipe scheme, 90% of the work is finished.
- Hygiene education and sanitation project is ongoing. 60% of the work is finished.

Evaluation of the Project

- IRD assigned by USAID have made evaluation of the projects.. Producing of final evaluation report is ongoing.

xx. Risks, Issues and Actions

Maidan Wardak Province

- Selected spring for as water source was rejected by local community Survey of area and selection of new spring is ongoing.
- In Maidan Shar district, due to hard geological strata scope of work for the construction of 16 wells was modified Tender procedure was repeated. Construction work will start in July. There is possible risk for project's delay. WatSan will try to accelerate project activities.

Kabul Province

- In Istalif, Kabul province, the previous contract terminated due to low technical capacity of the construction company was re advertised. Construction work should be started last week of July. There is possible risk for project's delay. WatSan will try to accelerate project activities.

Daykundi Province

- In Nili district, due to river flooding and bridge damaging, work was stopped. In May the bridge was reconstructed and work was restarted. It should not take any affect on the projected time schedule of the construction work.

Logar Province

- After getting last warning before termination of the contract, the company improved its technical capacity.

Kapisa

- In Kohistan and Nijrab districts, due to hard geological strata the scope of work for construction of wells was modified and according to Afghan Procurement Low tender procedure was repeated. Construction work will start in July. There is possible risk for delay of projects finishing before deadline of USAID programme. WatSan will try to accelerate activities on the site and in payment procedure.

Nooristan

- In district Paroon, due to poor security condition monitoring have been conducting by joint team of district governor's representative, RRD officer, and local community's representative.

Operation and maintenance programme component,

- Modified proposal for this programme component was sent for re-announcement. Expecting date for starting of project is 29 of July. There is possible risk for project's delay. WatSan will try to accelerate activities on the site and in payment procedure.

Belgium

I. Contribution Summary

FINANCE DEPARTMENT will provide information.

	TYPE	DESCRIPTION OF ALLOCATION	COMMITMENT (LOCAL CURRENCY)	RECEIVED (USD)	DISBURSED (USD)	CONTRACT END DATE
A	Unearmarked	NABDP Phase []				
	Total Earmarked (A)					
B	Earmarked	IALP-Kandahar				
		QIP-Kandahar				
		ETC				
	Total Earmarked (B)					
TOTAL						

*Commitment = Signed Agreement. If there are multiple Amendments to an agreement, they are all lumped together under a single agreement

**If the contribution is unearmarked, under "Description of Allocation", put NABDP Phase I or II. If the contribution was for Phase I, only include the carried-over balance under "Received", and leave "Commitment" column blank.

II. Implementation Progress Supported by Belgium Gov. fund During the Reporting Period

A. Earmarked

10. COMPONENT OR RRF(or AWP) OUTPUT

xxi. Implementation Progress

Daykundi Province:

- Construction of 72 wells in Neli, Sharistan and Sang Takht Bandar Districts. 30 wells constructed.
- Construction of 44 wells in Khidar and Geti Districts. 28 wells constructed.
- Hygiene education and sanitation project, consisting of 363 sanitation latrines and hygiene education to 63,525 individual is ongoing. 19% of the work is finished.

Ghor Province

- Construction of 50 wells in Lal wa sarjangal district. 15 wells completed.
- Construction of 111 wells in Chighchiran, Murghab and Qurullah. 31 well completed.
- Construction of 90 wells in Pasaband, Dolaina, Chighchiran, Qara Allahyar districts. 40 wells completed.
- Hygiene education and sanitation project consisting of 375 sanitation latrines and hygiene education to 65,625 individual is ongoing and 3.2 % of the contracted work is finished.

xxii. Risks, Issues and Actions

Daykundi Province

- Contract duration was over, while companies have completed a minute part of the project. The main reason stated was cold weather and remoteness of the project site, after approval of the Daykundi RRD, companies requests are forwarded to procurement department for no cost extension.
- Due to flooding in Neli district of Daykundi province, the access bridge to the construction site was destroyed and work was stopped. The reconstruction of the bridge was finished in May and work was restarted. Currently work is smoothly on going.
- In DaiKudi province the Implementing Partner for hygiene education and sanitation component of the project had a low progress of work. WatSan has informed procurement department. Implementing Partner is called for clarification and improvement of the quality of the work.

Ghor Province

- Due to cold weather, bad security conditions and difficult access to the project site, contractors did not complete the work on time. But the main reason stated was cold weather and remoteness of the project site, after approval of the RRD, companies requests are forwarded to procurement department for no cost extension.
- The contract for construction of 111 water points in Chagcharan and Murghab districts of Ghor province was signed with NCC, in the very begging of the project due poor security situations the looters killed one of the NCC engineers caused NCC to resign from the implementation of the project. It was agreed that they can sub-contract it with a local construction company and they contracted with Lali Construction Company, the work was slow, according to WatSan monitoring team the company had only constructed 31 water points, the company is called for a meeting and they promised to increase the number of drilling machines and complete the work, but they require no cost extension which is processed.
- In Lal-o-Sarjantal district contract for construction of 50 bore wells was signed with MACEC, after deep hydrogeological survey of the site by DACAAR it was found that only 20% possibility of bore wells are there and they recommend hand dug wells. The community was insisting for bore wells and they warned the company to leave the site or construct bore wells their concern was the difference between costs of bore well and dug, the problem is solved and the community people are informed through their representative that whole fund allocated for this district will be utilized in this district and the number of wells will be increased, MACEC team is working on site and they have the community supports, but to complete the work they require no cost extension, which is processed.
- The residents of Lal Wa Sarjantal district of Ghor province due to multiple use of the latrines they make a separate place for the use of water of defecation and install a drainage pipe to drain off the water. So the people of this area are not ready to install RCC latrine slabs, instead they are suggesting PCC latrines and making a separate place for draining the water and use of a drainage pipe, the FP requested the RCC slabs to be changed to PCC slabs. Also company requested no cost extension, which is processed through procurement department.