



AFGHANISTAN STATE OF PLAY JANUARY 2010

Overview of EC cooperation

The European Commission (EC) is one of the major donors providing official development assistance (ODA) and humanitarian assistance to Afghanistan. The EC set up a Delegation in Kabul in February 2002, immediately after the establishment of the Interim Transitional Authority headed by President Hamid Karzai. Between 2002 and end 2009 the EC's support to Afghanistan amounted to €1.8 billion including €82 million in humanitarian assistance. By end 2009 the EC had disbursed €1.55 billion, i.e. a disbursement rate of 85%.

EC aid to Afghanistan 2002 – 2009 in € million

Year	Total Commitments	Disbursed
2002	247.59	151.04
2003	285.55	213.90
2004	247.55	171.19
2005	224.48	206.11
2006	200.53	175.98
2007	195.90	224.59
2008	214.49	213.27
2009*	219	198.82
Total	1835.09	1555

* Provisional figures

How is EC aid delivered?

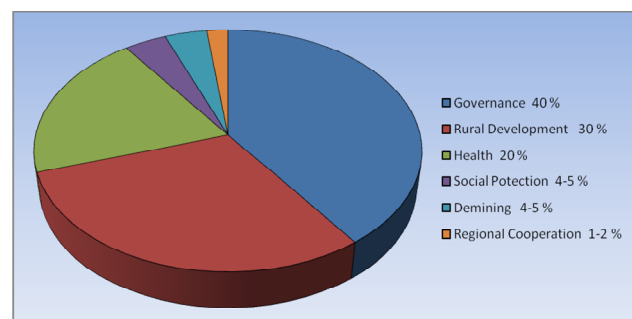
The EC's legal and strategy framework for bilateral cooperation includes multiannual programming documents and annual action programmes. The first Country Strategy Paper (CSP) 2003-2006 and the National Indicative Programme (NIP) 2003-2006 promoted stability and poverty reduction by supporting *rural development* and *food security*, *good governance*, *infrastructure* and *health*, as well as other areas.

The current Country Strategy Paper sets out the priorities for 2007-2013, and the Multiannual Indicative Programme (MIP) defines the EC intervention for 2007-2010 in three focal and three non-focal areas with planned activities, expected results and indicators. The focal areas are *rural development*, *governance*, and *health*. The non-focal areas are *social protection*, *mine action* and *regional cooperation*.

The total budget allocated under the MIP for 2007-2010 is €610 million. The Afghan Government was consulted beforehand on the EC priorities and has formally endorsed the MIP. Every year, the Commission adopts an Annual Action Programme (AAP) for Afghanistan, with several sectoral actions/projects, in line with the MIP. In 2009, a special allocation of €35 million was also adopted for support to the 2009 and 2010 elections.

A mid-term review of the CSP is currently being finalised. The MIP 2011-2013 was designed in consultation with the local authorities and civil society as well as Member States and donors, and will be subject to the democratic scrutiny of the European Parliament. In April and May 2009, formal consultations were held in Kabul with representatives of the Afghan Parliament, local and international civil society, and the Government of Afghanistan.

Sector allocations in the MIP 2007-2010



These consultations confirmed the choice of focal sectors, although there are likely to be minor shifts in the financial allocations. In addition to bilateral cooperation under the Development Cooperation Instrument (DCI), Afghanistan benefits from regional programmes for Asia, in particular the Aid for Uprooted People programme, as well as from support through thematic programmes like the food security thematic programme (FSTP) and the European Instrument for Democracy and Human Rights (EIDHR). These programmes are articulated with the bilateral cooperation. Afghanistan also benefits from the new instrument established in response to rising food prices. Humanitarian assistance (governed by specific principles) is provided by the EC humanitarian office ECHO. (For details see annex 5.)

Annual Action Programmes (AAP) 2009 and 2010

The AAP 2009 includes the following actions:

Project	€Million
Law and Order Trust Fund (LOTFA)	75
Mine Action Programme of Afghanistan	22
Agriculture	50
Total	147

These actions have all been approved, and Financing Agreements have been signed (for details, see the annexes listed below).

In addition, a special measure to support the 2009-10 elections cycle with €35M has been adopted. This project is implemented with UNDP (see annex 3, sub-sector 8). Further support in 2009 also included €17 million for assistance to refugees (from the Aid to Uprooted People programme), and €14 million from the "facility for rapid response to soaring food prices in developing countries" (the "Food Facility").

The remaining funds under MIP 2007-10, will be committed in 2010 for follow-up actions in the fields of rural development and local governance (indicative amount: €60 million), health (€70 million), as well as new actions in the field of regional cooperation (€19 million), and statistics (€8 million).

Alignment with Government priorities

EC aid and its focal areas are aligned with the Afghan Government's priorities as set out in the *Afghan National Development Strategy* (ANDS) of April 2008, and its predecessors, the *interim ANDS* (i-ANDS) and the *National Development Framework* (NDF). The ANDS builds on the *Afghanistan Compact*, adopted at the London Conference in 2006 by the EC, other donors and the Afghan Government. The ANDS is based on 3 pillars, namely security; governance, rule of law, and human rights; and economic and social development, and sets out priorities and benchmarks for a five-year period. It serves as Afghanistan's first Poverty Reduction Strategy Paper (PRSP). EC cooperation focuses on the latter two pillars. Political commitment to the implementation of the Afghanistan Compact was confirmed by Commissioner Ferrero-Waldner at the *Paris Conference* of 12 June 2008. The EC, other donors and the Afghan Government, agreed to focus on challenges including strengthening democracy, reinforcing government institutions to improve service delivery, fighting corruption and intensifying counter narcotics efforts, stimulating investments in infrastructure, especially in the agriculture and energy sectors, creating opportunities through private sector growth, improving aid effectiveness to ensure

tangible results, ensuring greater civil society participation in nation-building, promoting respect of human rights and strengthening regional cooperation. Donors pledged around €14 billion to support the ANDS. The EC confirmed that around €500 million are programmed for Afghanistan for 2008-2010.

Donor coordination and dialogue with Government

Following the Paris Conference, donor coordination was reinforced under the leadership of UNAMA and the Ministries of Finance and Economy. The Joint Coordination and Monitoring Board (JCMB), established in 2006 and comprising the Government and all major donors, remains the main coordination mechanism, supported by three Standing Committees for the ANDS pillars (security, governance, socio-economic development). Most sectors also have one joint committee at technical level. For policing this is the International Police Coordination Board; for mine action the government-led Mine Action Centre for Afghanistan; in agriculture there is the recently established joint Task Force co-chaired by the Minister and UNAMA.

Since the Paris Conference, there has been progress on the following issues:

- Following changes in the Ministries of the Interior and Agriculture, the Government now takes a clear lead in these sectors;
- UNAMA has been reinforcing its capacity for donor coordination;
- Donors and Government are in intensive discussions on new modalities for the ARTF to increase investment contributions and decrease funding of recurrent costs;
- Overall, there is a conducive atmosphere among donors, even if many initiatives are offset by worsening security.

The EU Delegation in Kabul has an important role in intra-EU donor coordination through monthly meetings of the Development Counsellors. The EU has recently also published a "Blue Book" to streamline EU-donor approaches.

On 31 March 2009, at a conference in The Hague, the international community reaffirmed its commitment to a strong, long-term and mutual partnership based on Afghan leadership. The EC pledged an additional €60 million for elections, police, and food security.

The third Regional Economic Cooperation Conference on Afghanistan (RECCA) was held on 13 and 14 May in Islamabad. The EC announced that it would support various actions (border management, railways feasibility study, regional cooperation secretariat and so on – see Annex 4 for details).

Since July 2009, and running in parallel to the CSP Mid Term Review process, a review of the overall EU engagement in Afghanistan and Pakistan has been proceeding under the guidance of the EU Presidency. The outcome of this review has been an EU Action Plan for Afghanistan and Pakistan, which has identified areas for an enhanced EU engagement in both countries. The aim has been to set out areas where there needs to be a better alignment of the EU's programmes and resources, covering both EU and Member States assistance. For Afghanistan, rural development, police and justice have all been highlighted as areas for further EU commitment - areas already contained in the existing CSP. In addition, new areas are emphasised, in particular sub-national governance and reintegration of former combatants.

At the time of writing, the Commission was preparing its participation in the International Conference on Afghanistan, to be held in London on 28 January 2010.

Aid effectiveness

The Compact and ANDS set objectives for improving aid efficiency, in particular to reach 50% of aid being channelled through the national core budget. The EC contributes to the aid efficiency working group chaired by the Minister of Finance which monitors progress. The Paris Declaration survey for 2008 sets out the results to date (<http://www.oecd.org/dac/hlfsurvey>).

Some 30% of EC aid provided between 2002 and June 2009 has been channelled through multi-donor trust funds that provide a substantial part of the government's core budget, such as the Afghan Reconstruction Trust Fund (ARTF) and the Law and Order Trust fund for Afghanistan (LOTFA). In the last fiscal year, (March 2008-March 2009) donor grants covered 79% of core budget expenditures, of which 31% was financed through ARTF and 10.7% through LOTFA. Other major contributors to the multi-donor trust funds include EU Member States such as the UK, Germany and the Netherlands, as well as Canada and the US.

Considerable improvements are reported regarding public finance management in the MoF, but more efforts are needed in other Ministries before a general switch to direct budget support can be considered. Key constraints include low capacity, transparency, and the predictability of Government finances. To overcome this problem, donors, including the EC, are channelling their support to "National Programmes," which are included in the Government's core budget via the ARTF investment programmes. The EC pays particular attention to aligning its assistance to

Government needs and requests, and to coordination with other donors. Technical assistance (TA) is currently crucially needed for supporting national efforts. The EC aims at coordinating TA with Government and donors and building national capacity in order to progressively substitute international TA by national expertise.

From 18 to 21 October, the EC organised a "technical cooperation learning event" in Kabul as part of its work to reform technical cooperation. The four-day workshop was attended by representatives from Government, donors, service providers and NGOs and focused on ways of making technical assistance more effective. capacity4dev.ec.europa.eu

Gender, civil society and sub-national governance get special attention

- *Cooperation with civil society organisations:* Civil society organisations are important partners for the EC, also for implementing EC assistance (e.g. the social protection programme). Support initiatives include a human rights programme (EIDHR), and a call for proposals for Non-State Actors for projects linking relief, rehabilitation and development through food security interventions in areas affected by natural disasters and prolonged insecurity.
- *Sub-national governance:* The EC strongly supports the development of sub-national governance through a €30 million programme implemented by UNDP (EC contribution €5 million), and is an active participant in a donor group dialogue with the Independent Directorate for Local Governance on local governance policy.
- *Gender:* EC aid systematically takes into consideration gender issues. For example, health or rural development programmes strive to improve women's access to services and to give women greater opportunities. Specific actions in support of women include providing social protection with legal aid and mediation for women in conflict with traditions, or promoting freedom of expression for women.

More Information

A summary of the major EC-financed programmes and projects in Afghanistan is set out in the following annexes:

- Annex 1: agriculture and rural development
- Annex 2: health
- Annex 3: governance
- Annex 4: non-focal interventions
- Annex 5: other interventions

ANNEX 1

FOCAL AREA AGRICULTURE/RURAL DEVELOPMENT

Sub-Sector 1 Animal Health

EC support for animal health includes technical assistance to the Ministry of Agriculture, Irrigation and Livestock (MoAIL) for institutional framework reform and building the service delivery capacity of epidemiology surveillance and animal health providers; rehabilitation of the central veterinary laboratory, two border inspection posts, sub-national public veterinary offices and diagnostic labs, and an animal vaccine production lab; and privatisation of over 80 veterinary services.

Sub-Sector 2 Horticulture and Seed Improvement

In this sub-sector, EC support takes the form of technical assistance to the MoAIL for: horticulture policy reform; government research farms; completion of a 'National Collection of Fruit and Nut Varieties' and ensuring dissemination of quality planting and grafting material. Support to farmers and nursery growers in 58 districts in 21 provinces for tree nursery and orchard development, formation of nursery growers' associations (over 15 already founded, 8 registered) and a National Almond Industry Association, support for the emergence of professional associations.

Further support is provided through the UN (FAO) for a Variety and Seed Industry Development Project (2007-2011) as a contribution to improving the productivity of major staple crops and ensuring greater food security. Assistance is given to the Agricultural Research Institute of Afghanistan to develop varieties and produce breeder seed, and also includes support for enterprises to produce foundation seeds of newly released and popular existing varieties; setting up of a seed board and affiliated bodies as apex institutions for coordinating seed industry functions; and establishment of a system for commercialising quality certified seeds to farmers, enabling much higher yield and production levels. Production of 16,000 tonnes of certified seeds is expected in 2009. To further enhance the certified seed production, a €14 million contribution agreement was recently signed with FAO through the Food Facility.

Sub-Sector 3 Irrigation and River Basin Management

Technical assistance is provided to the Ministry of Energy and Water to implement the concept of Integrated Water Resource Management (IWRM) within the boundaries of the Amu Darya river basin (20% of territory, 40% of the Afghan water resource). Support also includes the rehabilitation of

65 major hydraulic schemes covering a command area of 145,000 Ha in the same basin (to date 11 large head regulators at intake level have been improved, including the construction of 2 cross-river weirs and 10 sluice gates, 58 in-canal regulatory devices and 188 off-takes; altogether this corresponds to the improvement of ±41.4 km of irrigation canal); and formalisation of 5 Water Users' Associations to improve water management and distribution. Upper catchments conservation activities across 10 watersheds: 850,000 trees planted and 1,120 Ha of pasture and rangeland socially protected.

The Water Law, which provides the legal foundations for an IWRM approach, based on decentralisation and outsourcing services within the geographical boundaries of water basins, was approved by the Upper House in February 2009 and signed by the President at the end of April.

Sub-Sector 4 Environment

Institutional support to the National Environment Protection Agency and MoAIL's Natural Resources Division to tackle inadequate management of natural resources, over-exploitation of the natural resource base, collapse of traditional community institutions for the management of natural resources, and low levels of public and government awareness.

Sub-Sector 5 Information

The EC is the lead agency (€3.5 million) in supporting the Ministry of Rural Rehabilitation and Development (MRRD) and the Ministry of Economy – Central Statistical Office (CSO) to carry out a nationwide survey on vulnerability, food insecurity and overall poverty levels. National Risk & Vulnerability Assessment (NRVA) surveys are carried out on a bi-annual basis. An update of NRVA [2007-08 poverty data](#) was published in November 2009. NRVA will assist in tracking progress made in various fields such as poverty, labour, population, situation of women, education, health and agriculture. The data shows encouraging developments, but pressing challenges remain. Poverty is rampant. Nine million Afghans (36% of the population) are unable to meet their basic needs. Twelve million Afghans (49% of the population) are under the age of 15. Women continue to be strongly disadvantaged. Support to NRVA contributes to generating reliable statistical information for designing ANDS and benchmark monitoring.

Support to the Food, Agriculture and Animal Husbandry Information Management and Policy Unit (FAAHM) within the MoAIL contributes to collecting agricultural price data on daily, weekly and monthly bases covering all major commodities, and producing monthly price bulletins and information for the regions, provinces and districts.

Sub-sector 7 Rural Development

Through the ARTF, the EC contributed €50 million to the MRRD's National Solidarity Programme (NSP). This aims to develop the ability of communities to identify, plan, manage and monitor their own development projects. The NSP budget until the end of Phase II in mid-2010 is an estimated €715 million. This includes support from the ARTF (see also annex 3, sub-sector 1), the International Development Agency, and various bilateral donors. NSP had disbursed €456 million as per end of April 2009. More than 45% of the funds came from ARTF.

NSP empowers communities to make decisions, and manage resources during all stages of the project cycle. The programme lays the foundation for a sustainable form of inclusive local governance, rural reconstruction, and poverty alleviation. It has assisted more than 22,000 communities in 346 districts in all 34 provinces to elect Community Development Councils (CDC). It has supported the MRRD to mobilise communities to design and implement Community Development Plans and projects (see Fig. 1). Projects mainly focused on water supply and sanitation, transport, irrigation, power, education and livelihoods, and generated employment for poor rural families equivalent to over 10 million labour days.

Figure 1 NSP achievements (on 19 March 2009)

Communities mobilized	22,104 (95%)
CDCs elected	21,816 (94%)
Projects proposals submitted	49,450 (93%)
Projects approved and financed	42,112 (79%)
Projects finished and closed	27,501 (52%)

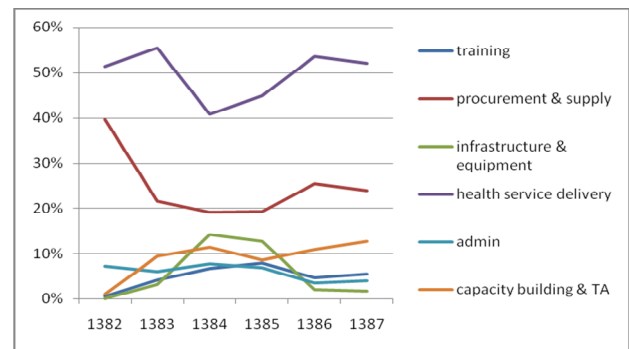
In 2008, the EC contributed €1 million to the ARTF for the National Rural Access Programme (NRAP). This programme started in 2002 as the National Emergency Employment Programme to provide year-round accessibility to some 38,000 villages. It has rehabilitated nearly 10,000 rural roads in all provinces, generating more than 14 million labour days for people in rural areas.

ANNEX 2

FOCAL AREA HEALTH

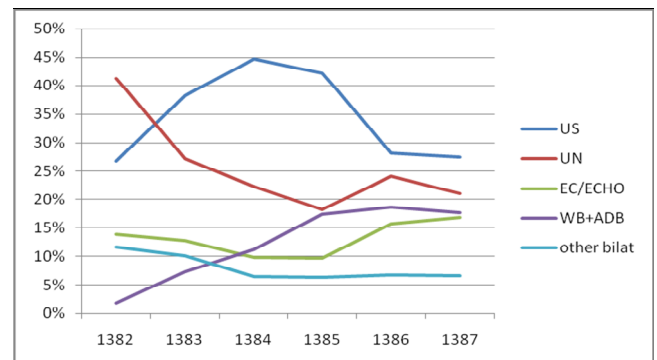
Afghan health policy is based on the Basic Package of Health Services (BPHS) and the Essential Package of Hospital Services (EPHS), which are widely credited for being the engine behind the successes of the last years. The BPHS has been critical in ensuring that all stakeholders focus on the common strategy established by the Ministry of Public Health (MoPH). The BPHS has developed wide 'brand recognition,' which has made it shorthand for a series of policies and strategies that focus on: delivering high impact primary health care interventions; ensuring adequate resources and effort are dedicated to improving

service coverage to the rural population; improving equity in access to services and maintaining a focus on the poor; and careful monitoring and evaluation. According to a nation-wide survey conducted in late 2006 the Infant Mortality Rate was 129 per 1,000 live births and the under-five mortality rate was 191 per 1,000 live births, representing remarkable 22% and 26% improvements since the end of 2001. Similarly, prenatal care coverage has increased to 32% and DTP3 vaccination coverage has increased to 35%. Functioning primary health care facilities have increased from 498 in 2001 to over 936 in 2008. The quality of care in publicly financed facilities has increased by about 22% from 2004 to 2006.



Trends in the proportion of funding for main activities (Health Care Financing Study, supported by the EC, Nov 2008)

The EC is one of the main donors of the systemic approach to primary health care as well as for hospital care. By funding non-state actors, the EC provides services for more than five million Afghans in ten provinces, including some of the most insecure and underserved districts.



Main contributors to the health sector

(Health Care Financing Study, supported by the EC, Nov 2008). Solar year 1382 corresponds to the period March 2003 – March 2004; 1387 corresponds to March 2008 – March 2009.

EC institutional support to MoPH focuses on central and provincial levels, aiming to link service delivery and sector governance. Pivotal governance areas (policy and planning, health care financing and health economics, human resources management, procurement and financial management, pharmaceutical affairs) are to become more prominent in the EC support. Areas linked to health service delivery include streamlining inclusion of health care (disability, mental health, prison health).

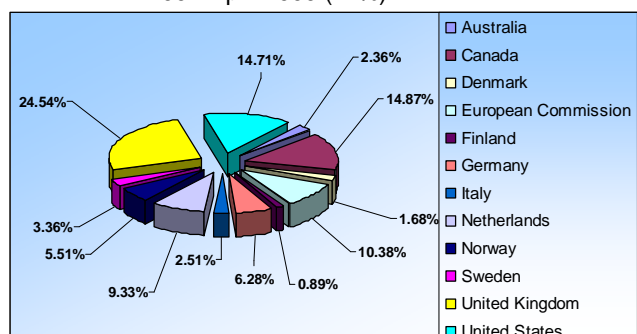
In addition to the Ministry, Provincial Health Offices (PHOs) have been supported to play a key role in supervising NGO performance and providing technical advice. So as to progressively transfer to PHOs regulatory functions at province level, these should also be enabled to work effectively with the for-profit sector.

ANNEX 3

FOCAL AREA GOVERNANCE

Sub-Sector 1 Afghanistan Reconstruction Trust Fund

Figure 2 Major Donors' share in funding ARTF 2002-April 2009 (in %)

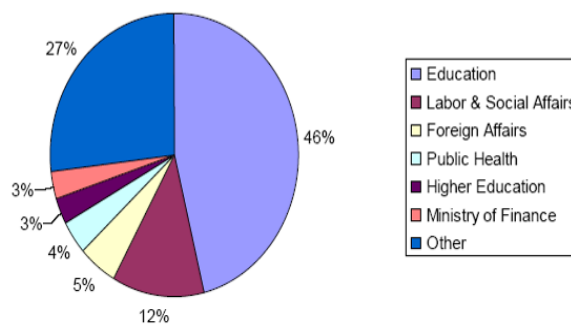


The 12 major donors represent 96.43% of the contributions paid in between 2002 and 2009. The EC and the EU Member States account for 64.49%.

The multi-donor Afghanistan Reconstruction Trust Fund (ARTF) was set up in May 2002 and is administered by the World Bank. As of April 2009, 31 donors have contributed some \$3 billion. Major donors include the EU (EC, UK, NL, DE), Canada, the US and Norway. The EC has contributed €207.95 million since 2002.

EC financing has supported both the *recurrent window* serving as a coordinated financing mechanism for the Government's recurrent budget and the *investment window* financing priority reconstruction programmes and projects. Donors can support the entire mechanism or express a preference for specific projects funded under the investment window for a part of their contribution (currently up to 50%). Through the recurrent window the EC contributed to financing civil servants' salaries, and the Government's operations and maintenance expenditures. As of April 2009, \$1.718 billion has been disbursed from the ARTF for recurrent expenditures. Figure 3 illustrates how individual ministries have benefited from recurrent window financing in financial year 1387.

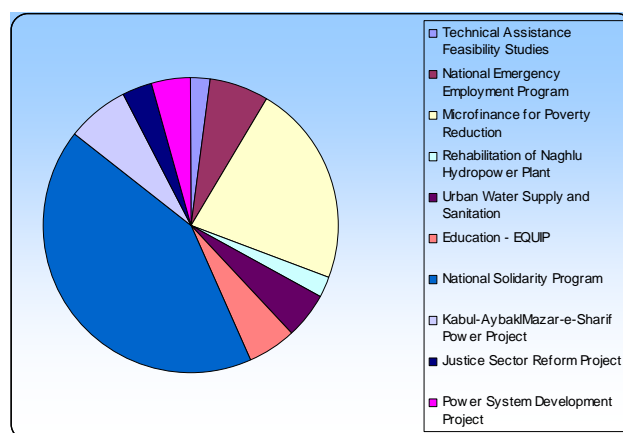
Figure 3 SY 1387*- disbursement per Ministry



*SY 1387 (Solar Year) = 21 March 2008 – 20 March 2009

The ARTF investment window has become a key source of predictable and pooled resources for the Government's investment/development budget. As of April 2009, US\$1.117 billion have been committed to 26 investment projects, of which \$883.133 million have been disbursed. The investment programmes that the EC has supported include the National Solidarity Programme, the National Rural Access Programme (see annex 1), and the National Justice Programme (see sub-sector 7 below).

Figure 4 Major ARTF investment programmes

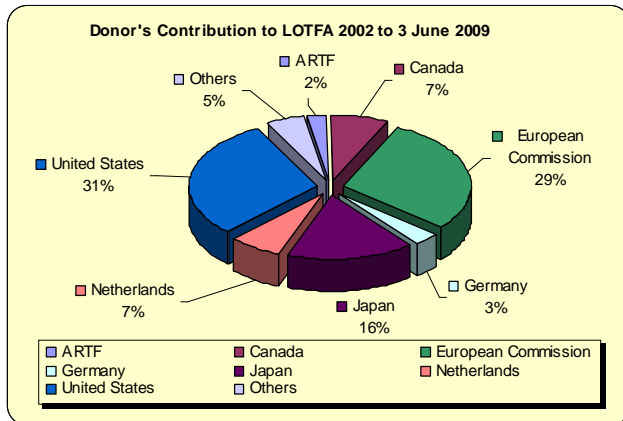


An evaluation of the ARTF completed in August 2008 focused on how to adapt for the future, more strategically prioritise funding, and how to reduce government dependency on recurrent funding in favour of investment funding. The donors to the ARTF agreed in December 2008 to a revision of the recurrent window which will involve a progressive decrease of the automatic ceiling for reimbursement of Government's recurrent costs (\$276 million in 2008) with benchmarks for reforms which, if met, will allow for continuation for some years of the ARTF covering of part of the recurrent costs of the Afghan State. Benchmarks for solar year 1388 (2009-2010) include public finance management reforms and income/tax generation, public sector governance, and private sector development.

Sub-Sector 2 Law and Order Trust Fund

The Law and Order Trust Fund for Afghanistan (LOTFA) was established in May 2002 by UNDP to enable police to resume operations throughout the country. With a contribution of €270.5 million (including support to Phase V under the AAP 2009) the EC is one of the largest contributors (with the US and Japan).

Figure 5 Donor Contributions to LOTFA (in %) 2002 to 31 June 2009



Other Donors: Finland 0.77%, Switzerland 0.52 %, DFID 0.3 %, Australia 0.3 %, Italy 0.29 %, Norway 0.28 %, Belgium 0.14 %, Ireland 0.1 %, UNDP 0.05 %, Hungary 0.03 %, Denmark 0.02 %, Iceland 0.02%, Latvia 0.00 %

LOTFA supports (1) payment of police force remunerations; (2) institutional development; (3) procurement, maintenance and operations of non-lethal police equipment and supplies; (4) rehabilitation, maintenance and operations of police facilities; (5) gender orientation (selection, recruitment and training of police); and (6) payment of remuneration of uniformed personnel employed by the Central Prisons Department (through specially earmarked contributions).

So far, four phases have been completed. Phase V covers a two-year period up to 2010. New elements of the current phase include the higher priority given to the institutional development of the Ministry of Interior (MoI), and support to prison personnel. In-kind food allowances are being phased out and a Monitoring Agent is being installed whose main task is to review disbursements, payment of police salaries and allowances, accounting and reporting. Through the LOTFA Steering Committee, the EC has contributed to these changes. This reflects the importance of EC participation in policy discussions in, e.g., the International Police Coordination Board (IPCB). During solar year 1387 significant progress was made in strengthening the fund's financial accountability and transparency. The Electronic Payroll System (EPS) now operates in all 34 provinces 98% of the police force. 57 143 policemen (out of some 83 000) receive their salary through an

electronic bank transfer. A new nationwide ID card system has also strengthened controls.

Achievements

Priority 1: Payment of Police Force Remunerations

During the last fiscal year, €173.99 million went to supporting the salaries and food allowances of around 81 000 policemen in 34 provinces on a regular basis. Efforts towards accountability and transparency with regard to the payment of salaries need to be pursued.

Priority 2: Institutional Development

A Management System Unit (MSU) was upgraded and staffed. Training was provided nationally and in 34 provinces, including for border police brigades, on generating accurate electronic payroll reports and using internet for systematic reporting. Two conferences were organised on reporting and reconciliation systems.

Priority 3: Procurement and Maintenance

Equipment for a newly established Disbandment of Illegal Armed Groups (DIAG) cell was recently procured from Japanese funds to make the cell operational. This included IT, office equipment and furniture. Proposals were finalised for a supply of non-lethal equipment from supplementary Japanese funding for the traffic and fire departments as well as medical equipment for the police hospital.

Priority 4: Rehabilitation of police facilities

During solar year 1387, construction of 628 police check-posts nationwide was completed. Construction of a police gymnasium started (30% completed).

Priority 5: Gender

During solar year 1387, 144 female police were recruited. Currently, the total number of policewomen stands at 567. 326 were recruited through LOTFA since May 2007 (the benchmark is recruitment of 300 women over two years).

Future Priorities

LOTFA will continue to finance police remunerations until annual costs can be covered by budget revenues. Special priority will be given to achieving complete financial transparency in the disbursement process. Support to uniformed prison personnel is being expanded with special contributions from donors and the EC contributed €2 million from the AAP 2008 for this purpose.

Sub-Sector 4 Customs and Border Management

The EC support programme to the Afghan Customs Department (ACD) focuses on providing infrastructure at selected border crossing points. The EC has supported the physical construction of the Customs facilities at Torkham (border with Pakistan) with an overall contribution of €1 million. The

border post at Torkham is operational since November 2007 and accounts for almost 20% of ACD revenue and 10% of total Afghan revenue. There are ongoing projects for the construction of two major customs checkpoints at Sher-Khan Bandar (Tajikistan border) and Heiratan (Uzbekistan border) with a total value of €25 million. After completion, the EC will have supported the Government in establishing the most vital customs facilities at crossings into three out of six neighbouring countries. The EC also contributed €3.8 million to the Border Management in Badakhshan, Afghanistan (BOMBAF) project implemented by UNDP-Tajikistan since March 2007. It supports the physical rehabilitation of the three most vital border crossing points to Tajikistan and the training of border police, especially on narcotics trafficking. The EC is also supporting two capacity building projects of the United Nations Office on Drugs and Crime (UNODC): the first aims at strengthening Afghan-Iranian border control and cooperation; the second supports control of trafficking of chemical precursors for heroin processing.

To improve coordination and effectiveness, the EC has initiated the Informal Customs Network (ICN) as a platform for information exchange and policy discussions between the major international stakeholders. Continuous consultation with the Ministry of Finance and its Customs Department ensures projects remain aligned with government priorities.

Sub-Sector 5 Public Administration Reform

Institutional support has been provided to the Independent Administrative Reform and Civil Service Commission in human resource organisation, public sector reform at provincial level, and training. The EC also helped to define severance options for civil service reform. The EC has followed the Government's priority of supporting ministries in their reforms through 'reform implementation and management units' (RIMUs), focusing on institutions in focal areas for EC support (health, justice).

Sub-Sector 6 Sub-national Governance

The EC supports the multi-donor *Afghanistan Sub-national Governance Programme* implemented through UNDP as one of the major donors. The programme focuses on capacity building at central and sub-national levels. It provides support to the *Independent Administrative Reform and Civil Service Commission* and the *Independent Directorate for Local Governance* for policy definition and establishing an appropriate legal framework, and fosters provincial administrative and political structures through pilot projects with municipalities (e.g. revenue collection; solid waste management).

Support is also provided to provincial governance with the Provincial Reconstruction Teams (PRTs). A €10 million programme managed by the International Organisation for Migration (IOM) supports provincial reconstruction efforts in governance, strengthening provincial and district administrations, as well as rule of law institutions such as the police and judiciary provincial councils. Projects are implemented by selected governmental or non-governmental partners of the civilian component of PRTs led or supported by EU Member States. In 2009, new projects were launched with the Swedish, Hungarian German and French PRTs. Other requests from various European PRTs (for police training and infrastructure and/or internet connections for provincial administrations) are being processed.

Sub-Sector 7 Justice

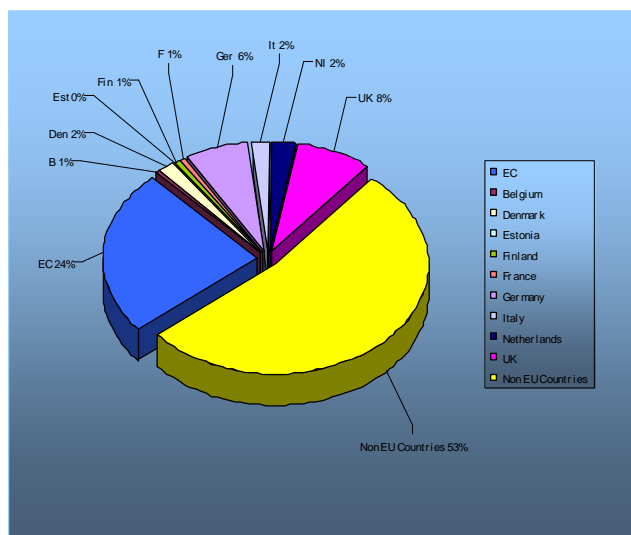
In December 2008, the EC adopted a €20 million justice programme that includes: (1) support to the ARTF justice project (€10 million) to promote a programme-based approach and aid effectiveness in strengthening justice institutions within the context of the National Justice Programme (NJP); (2) the remuneration of uniformed prison personnel (€2 million through LOTFA); (3) further support to the UNDP project on "Access to Justice at District Level" (€5 million; see below); and (4) technical assistance for continuing activities first financed under the Instrument for Stability in 2007 (€2.3 million) in order to provide assistance to the drafting of a National Justice Strategy and a National Justice Programme, expertise on human resource management reform, and legal aid.

Since 2005, the EC supports the UNDP project *Access to Justice at District Level* (€6 million, out of which €5 million from Italian co-funding) from a human rights-based perspective. Activities include human rights-based training for teachers, local leaders, and school children, consultations with representatives of the justice system, and awareness-raising campaigns for community members. The project also supports the refurbishment of district justice centres and training of district judicial officials to enable them to play a role in ensuring that dispute resolution conforms to the law, and in public awareness-raising on human rights.

Sub-Sector 8 Elections

Presidential and provincial council elections were held on 20 August 2009 (parliament and district council elections will be held in 2010). The 2009 elections, unlike those of 2004/5, were conducted by and under the leadership of the Afghan authorities (the Independent Election Commission - IEC). The international community supports the IEC through a basket funding mechanism entitled *Enhanced Legal*

and Electoral Capacity for Tomorrow (ELECT) managed by UNDP.



EC and Member State contributions to ELECT

ELECT doesn't only advise the IEC in the conduct of elections. In cooperation with EUPOL, the European Police Mission in Afghanistan, a cascade training plan is implemented on election policing. Civil society organisations have access to funds for civic education. ELECT is procuring election material, helping the IEC to recruit temporary staff, delivering on-the-job training for building IEC's capacity, and is tackling gender questions. Finally, ELECT supports voter education through radio soaps, face-to-face interventions and community education. The EU also participated in the 2009 elections as observers with an EU election observation mission, funded from the European Initiative for Democracy and Human Rights (EIDHR).

ANNEX 4

NON-FOCAL AREAS

Mine Action

Since 2002, the EC has supported the Mine Action Programme for Afghanistan (MAPA). A positive external mid-term evaluation of the programmes supporting mine action was finalised in early 2009 and a follow-up decision with a value of €22 million was adopted under AAP 2009. According to the UN, during the second half of 2008 over 42,000 anti-personnel mines, 500 anti-tank mines and 1.5 million explosive remnants of war were destroyed. Mine-risk education reached 800,000 Afghans. Advocacy for the rights of landmine survivors and other persons with disabilities continued. In Helmand, Kunar and Uruzgan provinces, community-based demining projects were launched. Targeted at marginalised communities with limited infrastructure or support, these bring direct socio-economic and stability dividends into areas in the south and east. The impact

of completed demining activities along the route of electricity transmission lines from Uzbekistan contributed to the increase in Kabul's power supply in February 2009.

Social Protection

The EC supports the development and delivery of social services to the most vulnerable via an integrated approach promoting a private-public partnership between the Ministry of Labour and Social Affairs as steward and NGOs as service providers. Services include counselling, medical care, protection, reintegration into school for children at risk (street children, exploitative child labour, child trafficking, war, etc.), legal aid and mediation for women in conflict with traditions, and support to community-based activities (e.g. income generation, job placement). In 2008, the EC adopted a comprehensive €24 million Social Protection programme to strengthen national and institutional service mechanisms for people affected by social/cultural and economic marginalisation. This intervention is consistent with the GoA's five-year social protection plan and its desire for a partnership between government and NGOs as service providers with the involvement of local and community organisations.

Regional Cooperation

The third Regional Economic Cooperation Conference on Afghanistan (RECCA) was held on 13 and 14 May in Islamabad with the participation of 24 countries and 18 international organisations. The resulting Islamabad Declaration sets out areas for regional cooperation, including a series of specific projects. The EC will support actions in border management, including the provision of drug and precursor equipment to relevant border crossing points, railways in Afghanistan, and the creation of a centre within the Afghan Ministry of Foreign Affairs to follow up on RECCA and regional economic cooperation issues in general (funding is foreseen in AAP 2010).

ANNEX 5

OTHER INTERVENTIONS

Aid to Uprooted People

Since 2002 the EC has funded projects for the reintegration of returnees and refugees in neighbouring host countries. A further €17 million for sustaining these efforts is expected for the second semester of 2009. A mid-term evaluation of the programme was finalised in the first quarter of 2009. Through the AAP 2009 for Pakistan, the EC will contribute €10 million to the Refugee Affected and

Hosting Areas (RAHA) programme. The programme will mainly be implemented by UNHCR and UNDP.

European Instrument for Democracy and Human Rights (EIDHR)

The EIDHR country-based support scheme for Afghanistan for 2007–2010 focuses on strengthening the role of civil society in promoting human rights and democratic reform, supporting the peaceful conciliation of group interests and consolidating political participation and representation. A €1.2 million call for proposals in April 2008 for transitional justice and reconciliation, four projects worth a total of €1.1 million started in January 2009. A new call for proposals along the same lines will be launched during the second half of 2009.

Non State Actors

A call for proposals for €4 million was launched on 1 February 2009. Support will be provided to actions to strengthen civil society, facilitate interaction between state and non-state actors, and promote peace building and conflict resolution. Grants will be awarded in the second semester of 2009.

Food Security

From 2001 to 2008, over €92 million were disbursed to improve the food security situation of the most vulnerable. In 2009, €14 million was committed and contracted from the "facility for rapid response to soaring food prices in developing countries" (the "Food Facility") for a project with FAO to expand certified seed production. A further €0.3 million will be awarded through a call for proposals that is currently ongoing.

Humanitarian Aid

For 2009, EC humanitarian aid to Afghanistan stands at €37 million. ECHO focuses on protection issues, general support to returnees (including water and sanitation and shelter), and food assistance (in remote areas in complementarity with the food security thematic programme and the food facility). ECHO also supports the new UN Office for the Coordination of Humanitarian Affairs in Afghanistan, as well as UN humanitarian flights (PACTEC) and security advice services for NGOs (ANSO).