

THE ECONOMY OF AFGHANISTAN

A. Agriculture

1. The current development trends of various sectors in Afghanistan and their growth prospects are mixed at best. The economy is primarily agriculture-based (crop production, horticulture, and livestock), supporting about 85% of the total population and accounting for about 50% of gross domestic product (GDP) in 1993;¹ 67% of the total labor force in 2000; and 65% and 38%, respectively, of total merchandise exports and imports in 1999.² In recent years both agricultural and non-agricultural production declined, the latter at a much faster rate. Agricultural production has been adversely affected by four years of drought, land loss through mines, degradation of irrigation systems and natural resources (cultivation of steep hillsides, stripping of brushwood for fuel, and reduced productivity due to the use of animal dung for fuel rather than fertilizer), population displacement, and war. The total land area of Afghanistan is 85.2 million hectares (ha)³ divided into the northern plains, the central highlands and the southwestern lowlands.⁴ Only 9.23% of the land or 7.91 million ha is arable. The area under permanent crops is 144,000 ha. The availability of water, which is unreliable, and the length of the growing season determine cropping intensity. There are seven farming systems⁵ based on landholding, agroecological zone, irrigation availability, and integration with livestock. About 30% of total arable and permanent cropland was irrigated in 1999 (80% of wheat and 85% of all crops), much of it through community-based small and medium-scale irrigation (river valley) schemes. Large-scale irrigation systems have been built along the Harirud, Helmand, Qunduz, and other rivers. The bulk of the irrigation facilities are now in serious disrepair, and significant parts are inaccessible due to mines. In addition, large-scale facilities suffer from management problems, waterlogging, and salinity from overexploitation. With the expected return of the refugees, the resource base of agriculture is expected to come under further stress.

2. Wheat is the main crop, comprising 80% of total grain production.⁶ Its production declined by over 50% between 1998 and 2000, from a relative high of 2.83 million metric tons (t) to 1.49 million t. Over the same period the food production index (1989-91=100) declined from 161 to 118, and per capita food production index from 107 to 75.⁷ It is estimated that cereal

¹ *Encyclopaedia Britannica, Yearbook 2002*. Country Profile Afghanistan.

² Data are taken from Food and Agriculture Organization (FAO). 2001. *Compendium of Food and Agriculture Indicators 2001*. Rome, country table on Afghanistan.

³ Land and irrigation data in this paragraph are taken from FAO. 2001. *Compendium of Food and Agriculture Indicators 2001*. Rome, country table on Afghanistan.

⁴ FAO has identified 11 agroecological zones for Afghan agriculture: Wakhan, Badakshan, central mountains, eastern mountains, southern mountains, northern mountains, Turkestan plains, Heart-Farah lowlands, Helmand valley-Sistan basin, Western stoney deserts, and southwestern sandy deserts. See, Sloane, Peter. 2001. "Food Security Strategy for Afghanistan." Paper prepared for the Working Team on Food Security. Islamabad.

⁵ (i) mixed irrigated and rainfed cropping, relatively large livestock component; (ii) intermediate altitude intensive cropping system; (iii) intermediate-low altitude high productivity, double cropping system; (iv) high altitude cold area intensive food cropping system; (v) low intensity subsistence cropping and livestock systems; (vi) large-area mechanized food grains and industrial crop production; and (vii) intensive commercial horticulture and cereal cropping. See Sloane (2001 *op.cit.*, p.6)

⁶ Other crops include barley, corn, rice, beans, cotton, fruits, nuts, rice, sugar beet, potato, opium, vegetables, and fodder crops (alfalfa and clover). Source: *Encyclopaedia Britannica, op. cit.*

⁷ Data are taken from FAO. 2001. *Compendium of Food and Agriculture Indicators 2001*. Rome, country table on Afghanistan.

production as the main component of the food supply has fallen by 40% since 1999.⁸ According to the World Food Programme (WFP), low irrigation reserves and low soil moisture from the lack of recent rain have affected 2001-2002 crop production. WFP places the current food production gap at 50% and the cereal deficit at 2.2 million t.⁹

3. The livestock subsector consists of large livestock (cattle and donkeys) and small livestock (sheep and goats) kept by agro-livestock owners, seminomadic people, and nomadic livestock owners (*kuchis*). Livestock has been a major source of cash income from the sale of dairy items, mutton, wool, animal hides, and the skins of karakul sheep in both domestic and export markets, accounting for 14% of exports.¹⁰ Since the early 1980s, the size of livestock herds has gone through cycles of decimation, reconstitution, and increase. The four-year drought is said to have reduced herd numbers by 40%¹¹ resulting in a decline of fresh milk and indigenous cattle meat production by about 28% and 26%, respectively, between 1998 and 2000.¹² Livestock herds have also been affected by loss of grazing land due to mines.

4. Horticultural production and exports have followed a similar cycle. Although its predominant role in exports in the 1970s (40%)¹³ declined over the years, in 1999 it still accounted for about 30%.¹⁴ Cultivation of poppy, a traditional crop, is on the rise again and will continue to do so unless viable alternatives are provided. Poppy provides food security for poor farmers (owners, tenants, and sharecroppers)¹⁵ and was cultivated on about 82,000 ha in 2000¹⁶ producing 3,276 t of opium.¹⁷

5. Land and water policies are critical. Ownership and access to land and water resources is highly skewed, giving rise to disputes and conflicts. Land reform programs of the 1960s and 1970s were not successful in ensuring equitable access. On the contrary, they interfered with customary patron-client relationships, cutting off valuable sources of support and credit. Currently land can be accessed through various customary practices such as sharecropping, leasing, renting, moneylenders' lease, and mortgage. Systems in place are complex, and there are wide variations across the country. It seems that the land tenure system could be a constraint to long-term investment in agriculture. Access to land and water needs to be streamlined, but this has to be achieved with due respect for the traditional relationships and cultural heritage of the people of Afghanistan. Land policy, being complex, has to be handled with care.

B. Manufacturing

6. Afghanistan was deindustrialized during the periods of civil conflict. The value added in manufacturing and mining, whose combined contribution to GDP was estimated at about 25% in

⁸ Asian Development Bank (ADB), United Nations Development Programme (UNDP), and World Bank. *Afghanistan Preliminary Needs Assessment*, Note on Agriculture, Water and Natural Resource Management, Working paper No. 6.

⁹ 2001. Reports of Crop Assessment Mission cited in Economic Intelligence Unit, *Country Profile Afghanistan*, p. 66.

¹⁰ Khan, Ulfat-un-Nabi and Muzaffar Iqbal, *Role and Size of Livestock Sector in Afghanistan*. World Bank, Islamabad, p. 11.

¹¹ ADB, UNDP and World Bank, *op. cit.*

¹² Data are taken from FAO. 2001. *op. cit.*

¹³ ADB, UNDP and World Bank, *op. cit.*

¹⁴ Data are taken from FAO. 2001. *op. cit.*

¹⁵ Large landowners also cultivate poppy.

¹⁶ Sloane, Peter. 2001. *op. cit.*

¹⁷ ADB, UNDP and World Bank, *Afghanistan Preliminary Needs Assessment*, Drug Control and Crime Prevention Program for Afghanistan, Working paper No. 17.

1993,¹⁸ declined drastically. Enterprises ceased to operate or operated were only at a fraction of capacity due to war damage, shortage of raw materials and spare parts, and difficulties faced in transporting goods to markets within and outside Afghanistan. Manufacturing consisted of textiles, cement, matches, processed foods, and cottage-based craft works. The Taliban attempt in 2000 to revive the sector through private investment came to nothing. Prior to the recent war effort, only 124 industrial units were in operation in the country—58 public sector and 66 private sector units. Afghanistan lacked a coherent industrial policy. Many industrial entrepreneurs left the country or were killed. The political and economic environment was not conducive to attracting private investment, either domestic or foreign. More money was to be made in trade and commerce, including gunrunning, drugs, and other legal and illegal/unofficial trade, than in manufacturing. The Government did not have the resources or access to the capital market to finance expansion of enterprises under the public sector. These enterprises were run as an extended arm of the Government, indifferent to efficient management and profitability considerations. Besides, the industrial potential of the country in terms of comparative advantage was never analyzed in depth. Regional economic cooperation, which could have given an impetus to industrial development in Afghanistan, never went beyond intermittent discussion without any conclusion. The Soviet occupation period witnessed greater integration of the Afghan economy into the Soviet in the classic colonial mode, which is the export of raw materials and minerals and the import of finished goods. Even processing of agricultural raw materials was kept at a very rudimentary level. A new beginning of industrialization that would allow the sector to play a major role in future growth of the Afghan economy would therefore have to contend with many challenges, including policy, institutions, finance, entrepreneurial and skilled labor availability, regional cooperation, marketing, and technology.

C. Mining

7. Afghanistan is rich in minerals, but the potential is seriously under exploited except for natural gas and precious stones (lapis lazuli, amethysts, and rubies). Other minerals include coal, copper, gold, and salt. A large deposit of iron ore is undeveloped. The 150 billion cubic meters of natural gas could be tapped for power generation, fertilizer production, and petrochemicals. Coal reserves are said to be substantially higher than the present estimates of 100 million barrels and 125 million t, respectively.¹⁹ Current oil reserves are estimated to be only 12 million tons in six oil fields. A more complete survey will bring out the potential of oil and coal as well as of other untapped minerals like iron, copper, zinc, uranium, and mercury. Mineral-based industrial development from oil, coal, gas, iron ore, and others holds out considerable growth potential for Afghanistan. However, the prospects need to be studied carefully, and private sector involvement has to be actively sought from the beginning. A favorable environment for foreign private investment would help a great deal to exploit this potential.

D. Infrastructure

8. The infrastructure of Afghanistan has been systematically destroyed since 1979, and the process is continuing today under the current war efforts. Infrastructure includes energy; water and sanitation; the national road network and rural roads; civil aviation; communications; and urban management, services and housing. Without these facilities functioning it is not possible to carry out normal economic activities and promote growth. On the contrary, as the infrastructure degenerates, so does the economy. The energy sector is underdeveloped and

¹⁸ *Encyclopaedia Britannica, op. cit.*

¹⁹ Economic Intelligence Unit. Afghanistan 2002, p. 67.

much of the available capacity has been destroyed. Sales of electricity and natural gas have plummeted. Gas production is now minimal. Gas infrastructure needs to be rehabilitated. The 200 million cubic meters of annual gas production is primarily used for power generation and fertilizer production.²⁰ Exports of natural gas were discontinued in late 1980s. This is a very high potential sector for the future growth of the Afghan economy, but a sector development plan will have to be articulated carefully, possibly within the framework of an energy sector master plan.

9. In the power sector, the current peak demand of 130 megawatts (MW) for electricity in Kabul is largely unmet, as was the 1996 demand of 250 MW. War damage, looting, and lack of spare parts and maintenance have seriously hampered power production and distribution. Lack of funds makes it difficult to procure supplies. It is estimated that power-generating capacity declined from 377 MW in the early 1990s to the current 250 MW. The capacity is old and needs urgent upgrading. The proposal for construction of dams on the Kunar and Laghman rivers in the east to generate electricity for both Pakistan and Afghanistan may be revived. For future growth of the gas and power sector, public sector enterprises will have to be made operational during a transitional phase as the basis is created for greater involvement of the private sector.²¹

10. Safe drinking water and sanitation facilities have important implications for health and productivity of the population and thereby for economic growth. The quality of water and sanitation services in both the rural and urban areas of Afghanistan needs to be upgraded. With no investments going into the sector, the coverage of safe water and sanitation declined steadily over past 20 years. It was estimated that about a fifth and a quarter of the urban population had access to water and sanitation, respectively, in 1999, down from 40% the previous year.²² Outside Kabul, many provincial and secondary towns and most rural areas have no networked services. Government capacity is weak, and nongovernment organizations (NGOs) and agencies play an important role in the provision of safe water and sanitation services. A combination of government, private sector, NGOs, and households will have to devise optimal modalities for the provision of safe drinking water and sanitation to the Afghan population, especially in remote rural areas of the country.

11. While the country is underserved by telecommunications services, it can take off quickly if a policy framework is put in place. In 1999, Afghanistan had one telephone per 1,000 inhabitants.²³ With the active participation of the private sector in capacity creation and service delivery, the coverage figure could be raised to 10. The regulatory and contractual framework should promote competition. Sector reform is therefore a priority, for which TA is required. Both investment and policy support are required in the broadcasting sector.

E. Transport

12. Afghanistan, as a landlocked country, relies on surface and air transport. The bulk transport needs are met through road transport, which plays a major role in delivering humanitarian aid, facilitates returning refugees and necessary imports, and is vital for the economic recovery of the country. The road network comprises about 5,800 kilometers (km) of national roads, of which 3,100 km are primary highways including 2,400 km of roads that were originally paved. The national primary road network consists largely of the ring road (Herat-Kandahar-Kabul-Mazaresharif-Shibergan-Maimana-Herat) and the six international links²⁴ to

²⁰ *Ibid.*

²¹ Data taken from Economic Intelligence Unit. Afghanistan 2002.

²² Data taken from World Bank. 2001. *Little Data Book*. Afghanistan Table. Washington, D.C.

²³ *Ibid.*

²⁴ The international links are to Iran(1), Pakistan(2), Tajikistan(1), Turkmenistan(1), and Uzbekistan(1).

neighboring countries. The 615 km Shibergan-Herat section of the ring road is only partly constructed and is generally unpaved. The remaining network of 2,700 km of secondary national roads and 15,000 km of provincial roads is either gravel or earthen. The coverage and condition details of the tertiary road network consisting of about 18,000 access roads are not known, except that these roads are all unpaved. Though the road density of 0.03 km of road per km² and 0.88 km per thousand people is far lower than in most developing countries, the road network touches all the major population centers and reaches to a certain extent to remote areas. The recorded traffic during the preconflict period on the primary network varied between 250 and 1,000 vehicles per day. Recent field visits indicate that the traffic levels were improving and in some cases exceeding these figures.

13. More than two decades of conflict combined with a prolonged lack of maintenance has resulted in damage to long sections of roads, critical structures, bridges, and the snow galleries on the approach to the Salang Tunnel. The 2.8 km tunnel itself has some minor damage but lacks ventilation and lighting. Overall, the road network has been rendered only partly usable, and that too at a significantly high cost. According to the last condition survey,²⁵ undertaken in 1994, 17% of the network was in good condition, 35% in fair condition and the remaining 48% in poor condition. Based on a recent survey of some sections of the network, the road conditions have further deteriorated. Large sections of the roads in the south (Kabul-Kandhar-Spin Boldak, 611 km) and east (Kabul-Jalalabad-Torkhum, 227 km) have been lost. The concrete road in the west (Kandhar-Herat-Torghundi, 676 km) is only partly traffic-worthy due to joint failures and other damage. Only the road to the north (Kabul-Pulekhumri-Konoz-Mazarsharif, 401 km) is generally in a better condition after the Salang pass. The Salang pass, at 3,300 meters elevation, is a major constraint, as the road is badly damaged and useable for only one-way operation over about a 10 km section that includes the tunnel. The section from Mazarsharif to Hairatan at the border with Uzbekistan is in better condition, but the road from Konoz to Shir Khan at the border with Tajikistan needs major works.

14. With Afghanistan's large mountainous region, civil aviation is relied upon for the supply of much-needed goods to remote communities. The prolonged state of conflict has resulted in large-scale deterioration of civil aviation infrastructure and depletion of skilled manpower. In addition to lack of maintenance, the deterioration was further accelerated by the heavy damage inflicted during the recent military operations. A major effort is needed to bring the civil aviation infrastructure in compliance with international civil aviation standards and practices. The deterioration in infrastructure has led to inadequate capacity of the air traffic services to provide air traffic control to the Afghan airspace.

F. Services

15. Unlike in other countries, the service sector was historically relatively small in Afghanistan, less than 2% of GDP in 1989. A vibrant service sector is essential for a modern economy. Banking, insurance, trade, and other services have to be revived, much of it privately owned and managed. International trade, though a small share of GDP, plays an important role in promoting economic activities, e.g., agriculture, livestock, transport, energy, industry, construction, housing, trade and commerce, employment, and revenue generation. According to official statistics, the value of exports declined from \$566.8 million in 1985/86 to \$235.9 million in 1989/90 due to the drop in gas exports to the Soviet Union.²⁶ Indigenous exports declined

²⁵ Afghanistan Construction and Logistics Unit and United States Agency for International Development. 1991-94. *Road Condition Survey database*.

²⁶ Data taken from Economic Intelligence Unit. Afghanistan 2002, *op. cit.*

further to a low of \$150 million in 1999.²⁷ Exports included gas, fruits and nuts, goatskins, karakul, carpets, and cotton. In addition, there was unofficial reexport of over \$1 billion to Pakistan in 1999. Imports for domestic consumption also showed a declining trend, moving from \$1 billion to \$450 million. Major import items included capital goods, food, textiles, petroleum products, and sugar, and vegetable oil. Both exports and imports have nearly collapsed since September 2001.²⁸ While with cessation of hostilities and the restoration of normal economic activities will lead to a revival of normal trade, proactive policies are required to expedite the process.

G. Health

16. The health status of the Afghan population is one of the worst in the world, with relatively low life expectancy, a large proportion of deaths from preventable communicable diseases,²⁹ and a high incidence of child malnutrition.³⁰ The disadvantaged status of women in Afghan society is said to have contributed to their own poor health and that of their families.³¹ The situation is exacerbated by environmental (community and social) factors such as physical insecurity, home delivery of babies, mines, unexploded ordnance, limited access to potable water, and wood and kerosene fires inside home. Overcrowded and unventilated living space lead to the spread of respiratory tract infections. In addition, two decades of war and killings have left the population traumatized, a significant proportion (anywhere between 20% and 80%) showing symptoms of mental disorders, especially posttraumatic stress disorder. This is reflected, among others, in increased anxiety, irritability, family tension, indifference to surroundings, sleeplessness, epilepsy, suicidal tendency, forgetfulness, and inability to concentrate. Both children and adults are affected. According to the preliminary needs assessment (PNA), only 30-40% of the population have access to some health service.³² Primary health facilities, referral facilities, secondary, and tertiary care are all in disarray. Even in the best of times these were few and far between and completely inadequate to meet the demands of the population. There was a strong urban bias in the availability of health services, with, for example, 25% of all doctors being in Kabul and serving 7% of the population. Health services are also unevenly distributed across regions. The Ministry of Public Health does not have the resources or manpower to restore services and provide the necessary human, technical, and equipment support for an effective health care delivery. United Nations agencies and the NGO community have made important contributions to providing health services to limited segments of the population in selected areas with external funding. A joint United Nations Development Programme and World Bank Conference noted that the personnel were often inadequately trained which reportedly led to some problems with the use of drugs, intravenous fluids, and others.³³ Their job was also made difficult with the war and the breakdown of security and the transport network, which made health facilities inaccessible. More nurses, mid-level

²⁷ Data are taken from FAO. 2001. *op. cit.*

²⁸ Data taken from Economic Intelligence Unit. Afghanistan 2002, *op. cit.*

²⁹ Among children, 60% of deaths are attributable to diarrhea, acute respiratory infections and vaccine- preventable diseases; among adults, 15,000 deaths occur annually due to tuberculosis. These figures were quoted in the aide memoire of a recent joint health, nutrition, and population mission to Afghanistan. Source: the United Nations International Children's Fund.

³⁰ According to the joint health sector mission, recent studies have found that about 50% of children suffer from chronic malnutrition (i.e., <2 standard deviations in height for age, i.e., stunting) and 10% are acutely malnourished (<2 standard deviations in weight for height, i.e., wasting).

³¹ The joint mission relates this to women's lack of mobility, low allocation of family resources to their health, early marriage, and their spending long hours in poorly ventilated areas of the house.

³² There is one basic health center for every 35,000 population. A center can serve only 10,000– 15,000 people.

³³ Health Services Delivery in Afghanistan: Present and Future Perspectives, a Conference jointly organized by UNDP and the World Bank, Islamabad, 14 June 2000.

staff, and midwives are needed. Other specific requirements of the health sector include refresher training for health sector personnel; planning for a decentralized system of health service delivery; provision of a basic health service package; provision of equipment to health centers; and training of key personnel in health system administration, planning, and financing.

H. Education

17. All segments of the education sector require major investments in physical facilities, materials, and human resources as well as student participants. In addition, the current gaps in gender coverage and representation, and marked disparities in rural/urban and geographical coverage, need to be addressed. Enrollment ratios are low at all levels, and dropout rates are high. There is a severe shortage of teachers and facilities. The difficulty of the situation is already apparent as students have returned to school including overage boys and girls who have never attended school. Most parents cannot afford to send their children to school because of the out-of-pocket expenses for clothing, textbooks, materials, transport, etc. The United Nations has relieved the burden this year by providing school kits to each student. Also, children cannot concentrate on studies and school tasks, nor can they be retained in schools, because of food and nutrition deficiency. As in the health sector, NGOs and private informal efforts kept schooling alive for many children, especially girls, outside of the formal government system during the Taliban regime. Both students and teachers are making tremendous efforts, even without roofs over many classrooms, to make up for the lost years and build a future together. Institutions of higher education including Kabul University and provincial universities will have to be rebuilt, and new community colleges constructed to provide a hybrid education between high school and university.

18. The key issues in the education sector can be summarized as (i) getting children back to school, especially for primary and basic education, and retaining children in school; (ii) creating capacity for policy planning, policy formulation, and monitoring; (iii) utilizing government, nongovernment and community-based schooling facilities; (iv) getting teachers who can teach including temporary ones; (v) refresher/emergency training of teachers, which according to education authorities in Kabul is a matter of high priority; (vi) school infrastructure, supplies, equipment, and materials; (vii) girls' participation in school; (viii) modernization of secondary, tertiary, and teacher education; (ix) private sector as education provider; (x) quality of education; (xi) financial and other support to students and families; (xii) financing of educational expenditures, investment, and recurrent expenses; (xiii) costeffectiveness of education; (xiv) linking up educational planning with manpower planning and the job market; (xv) vocational training and skills training; (xvi) nonformal and adult education; and (xvii) equitable distribution of educational facilities. In addition, institutional development has to be addressed from an early stage of rehabilitation and reconstruction to develop an efficient decentralized administration with the participation of the Central Government as well as the lower tiers of government, communities, and the private sector. Community involvement through school management and village education committees will improve school effectiveness.

SOCIOECONOMIC INDICATORS

Indicator	Year	Value	Unit	Reference in CSP	Source
Population	2000	21.765	million	para 3	2
Population density	1999	33	persons/m ²	para 3	2
Male:female ratio	2000	52:48		para 3	1
Labor force	2000	8.152	million	para 3	2
Agricultural labor force	2000	5.942	million	appdx 1, para 1	2
GNP (at \$1 = AF4,679)	1997-98	6,738	\$ million	para 2	1
Per capita GNP (At \$1 = AF4,679)	1997-98	280	\$	para 2	1
GDP and its breakdown	1993	126,700	\$ million	appdx 1, para 1	1
Agriculture	1993	61,400	\$ million	appdx 1, para 1	1
Manufacturing & mining	1993	32,800	\$ million	appdx 1, para 1	1
Construction	1993	12,400	\$ million	appdx 1, para 1	1
Transport	1993	5,300	\$ million	appdx 1, para 1	1
Trade	1993	12,400	\$ million	appdx 1, para 1	1
Others	1993	2,400	\$ million	appdx 1, para 1	1
Land area	1999	85.21	million ha	appdx 1, para 1	2
Arable land	1999	7.91	million ha	appdx 1, para 1	2
Area under permanent crops	1999	0.144	million ha	appdx 1, para 1	2
Irrigated land	1999	2.39	million ha	appdx 1, para 1	2
Wheat production	1998	2.834	1,000 t	appdx 1, para 2	2
	1999	2.499	1,000 t	appdx 1, para 2	2
	2000	1.489	1,000 t	appdx 1, para 2	2
Food production index	1998	161	1989-91 = 100	appdx 1, para 2	2
	1999	143	1989-91 = 100	appdx 1, para 2	2
	2000	118	1989-91 = 100	appdx 1, para 2	2
Per capita food production index	1998	107	1989-91 = 100	appdx 1, para 2	2
	1999	93	1989-91 = 100	appdx 1, para 2	2
	2000	75	1989-91 = 100	appdx 1, para 2	2
Total exports	1999	150.0	\$ million	appdx 1, para 1	2
Agricultural exports	1999	97.9	\$ million	appdx 1, para 1	2
Total imports	1999	450.0	\$ million	appdx 1, para 1	2
Agricultural imports	1999	158.8	\$ million	appdx 1, para 1	2
Urban access to safe water	1999	19	%	appdx 1, para 10	3
Urban access to sanitation	1999	25	%	appdx 1, para 10	3
Telephone access	1999	1/1000	lines per person	appdx 1, para 11	3
Railway length	1997	16	km	appdx 1, para 12	1
Road length	1997	21,000	km	appdx 1, para 12	1
Of which, paved	1997	13	%	appdx 1, para 12	1
Average life expectancy	1999	40 or less	years of age	para 4	4
Adult illiteracy rate	1999	64	%	para 4	4
Adult illiteracy rate, male	1999	50	%	para 12	3
Adult illiteracy rate, female	1999	80	%	para 12	3
Infant mortality rate	1999	147	per 1000 births	para 12	3
Under 5 mortality rate	1999	220	per 1000 births	para 12	3
Total population malnutrition	1999	70	%	para 4	4
Under 5 malnutrition	1998	49	%	para 12	3
Maternal mortality rate	late 1990s	1,700	per 100,000 birth	para 12	4
Fertility rate	1999	6.7	births per woman	n.a.	3
Net primary enrollment rate	1998	29	%	n.a.	3
Net secondary enrollment rate	1998	14	%	n.a.	3
Girls' share in primary enrollment	1998	32	%	para 12	3
Girls' share in secondary enrollment	1998	25	%	para 12	3

CSP = country strategy and program, GDP = gross domestic product, GNP = gross national product, ha = hectare, km = kilometer, t = metric ton, n.a. = not available.

Sources: 1. *Encyclopaedia Britannica*, Yearbook 2002, Country Profile Afghanistan.

2. FAO, *Compendium of Food and Agriculture Indicators 2001*, Rome, country table on Afghanistan.

3. World Bank 2001, *Little Data Book*. Afghanistan Table, Washington DC.

4. *Afghanistan Facts and Figures at a Glance*, collected from UN and Afghan sources.

EXTERNAL ASSISTANCE TO AFGHANISTAN

1. Individual pledges announced by bilateral and multilateral agencies in Tokyo total \$4.5 billion.
2. The United States assistance of \$296.75 million will include food security and health assistance (\$84 million), food aid (\$122 million), migration and refugee assistance (\$52.6 million), jobs generation and technical assistance (\$3 million), counternarcotics programs (\$15 million), demining and mine awareness (\$7 million), and short-term high impact projects (\$17.25 million). In addition, \$223 million in Afghan frozen assets will be released, and the Overseas Private Investment Corporation (OPIC) will extend an initial \$50 million line of credit. Furthermore, the United States Congress has approved a supplemental grant of \$217 million.
3. Japan committed \$500 million, of which it has already delivered \$130 million in cash grant and humanitarian assistance in the areas such as refugees assistance (\$102 million contribution to UN agencies), demining (\$19 million contribution to UN and other agencies), prevention of infectious diseases (\$6 million contribution to UNICEF), and basic medical equipment and pharmaceutical supplies (\$15 million). In April 2002, Japan announced its contribution of \$2.7 million to support the implementation of the Loya Jirga. Japan also fielded a preparatory mission to assess the concrete needs for Japanese assistance.
4. Of its contribution of €200 million for 2002, the European Commission (EC) has already approved €57.5 million for support to public administration, rural recovery, mine clearance, and basic urban infrastructure as well as help with information and coordination mechanisms. A total of \$150 million will be earmarked for projects. Germany has committed €320 million. €80 million will be delivered in 2002 for vocational training, water supply and sanitation, health centers in rural areas, power supply and urban road improvement in Kabul, national police, and demining.
5. India has provided Afghanistan a line of credit of \$100 million and a grant of \$21.5 million for immediate utilization by the Afghan Government. Pakistan has also pledged an assistance of \$100 million to Afghanistan.
6. At the Afghanistan Reconstruction Steering Group Tokyo Meeting in January 2002, ADB committed a total assistance package of \$500 million including a substantial grant component over two and a half years until June 2004 for the reconstruction of Afghanistan.
7. Over the past three years, the World Bank has utilized Post Conflict Fund Grants to support analytical and capacity building activities.¹ At the Tokyo Ministerial Conference the World Bank pledged \$500 million of International Development Association (IDA) support over next 30 months. In addition, the World Bank indicated that it would provide immediate grant assistance of up to \$70 million. The overall World Bank assistance envelope for the current fiscal year is \$100 million in IDA grants consisting of an Emergency Public Administration Project (\$10 million)² and thru IDA grant funded reconstruction projects.³

¹ These include preparation of a watching brief (\$350,000), teacher training for Afghan Refugees in Pakistan (\$1.5 million), preparation of reconstruction strategy for Afghanistan with Afghan and other stakeholder participation (\$850,000), and a United Nations Development Programme-executed program on Enhancing Knowledge and Partnership (\$365,000).

² This technical assistance has three components. The first is support to the Afghanistan Assistance Coordination Authority for procurement strengthening (\$3 million), institutional strengthening (\$0.65 million), studies (\$0.40 million) and training (\$0.20 million). The second component is support to the Ministry of Finance for accounting and

8. The United Nations Development Programme (UNDP) has been providing wide-ranging support for the rehabilitation and reconstruction of Afghanistan. UNDP has mobilized \$65.8 million for the Afghanistan Interim Authority Fund (AIAF) towards meeting essential expenditures of the Interim Administration of Afghanistan (IAA) over the 6-month period of its mandate. UNDP has provided technical assistance to establish the Civil Service Commission, to build capacity in the Ministry of Finance (MOF), to set up the Judicial Commission, and to the Afghanistan Assistance Coordination Authority (AACA) for the preparation of the National Development Framework. UNDP is also strengthening the Office of Disaster Preparedness (ODP).

9. The Afghanistan Reconstruction Trust Fund (ARTF), administered by the World Bank and managed by a committee consisting of the World Bank, the Asian Development Bank (ADB), the Islamic Development Bank (IsDB), and UNDP had mobilized as of 22 April 2002 \$380 million to finance investments and the nonmilitary recurrent government budget, and to assist the return of skilled Afghans living abroad.

10. From October 2001 through January 2002, the World Food Program (WFP) sent 260,000 tons (t) of food to six million refugees. Another 100,000 t was to be distributed during February and March 2002. WFP has announced a new \$285 million operation, requiring 544,000 t of food, aid to provide emergency assistance and support for innovative projects such as food rations for civil servants, food for nonformal education of women, food for irrigation system rehabilitation, school feeding for one million children, food for infrastructure works, and food for resettlement of returnees.

11. The United Nations Food and Agriculture Organization in collaboration with nongovernment organizations, distributed 1,500 t of wheat seeds and fertilizers for the spring planting to approximately 30,000 families, who will be able to harvest an estimated 16,000 t of wheat.

treasury department strengthening (\$3.75 million), budget department strengthening (\$0.375 million), and economic policy strengthening (\$0.20 million). Finally the third component is support to the Auditor General's Office for audit capacity strengthening (\$1.80 million).

³ The IDA grant funded projects are designed to support high impact activities to kick-start the economy and to restore essential services and infrastructure. Three projects providing a total of \$90 million have been submitted to the Bank's Board. These projects are, a \$15 million education project, a \$42 million project bringing assistance to communities in rural districts, and an initial grant of \$30 million, which supports urgently needed water supply and sanitation in secondary cities and basic electricity for all cities.

Operations of Main Development Partners in Afghanistan

ODA Source/ Country	Agriculture and Natural Resource Management	Energy	Industry	Transport and Communications	Health and Education	Finance	Multisector
Multilateral							
Asian Development Bank	<ul style="list-style-type: none"> • Irrigation • Input supply • Capacity building 	<ul style="list-style-type: none"> • Electricity transmission • Rehabilitation of gas • Rehabilitation of petroleum storage • First natural gas development • Capacity building 		<ul style="list-style-type: none"> • Natural roads rehabilitation • Rehabilitation of international link roads • Replacement of damaged bridges • Capacity building 	<ul style="list-style-type: none"> • Rehabilitation of primary schools • Education reconstruction project • Youth and adult nonformal education • Social sector rehabilitation • Capacity building 	<ul style="list-style-type: none"> • Support for strengthening rural and microfinancial systems • Institutional and regulatory framework for financial sector development 	<ul style="list-style-type: none"> • Policy and institutional reforms in the agriculture, transport, and education sectors
World Bank	<ul style="list-style-type: none"> • Rural development • Rehabilitation projects • Agricultural inputs and equipment 			<ul style="list-style-type: none"> • Rebuilding of roads 	<ul style="list-style-type: none"> • Education program for war widows and illiterate young women, and vocational training for ex-combatants • Rehabilitation of university faculties and colleges • Education policy and planning • Water supply and sanitation 		<ul style="list-style-type: none"> • Emergency public administration support • Job creation for ex-combatants, returning refugees and other IDPs
European Union	<ul style="list-style-type: none"> • Rural development • Agriculture and horticulture 	<ul style="list-style-type: none"> • Power supply 			<ul style="list-style-type: none"> • Basic education • Vocational education • Basic health care • Water supply and sanitation 		<ul style="list-style-type: none"> • Governance and security • Urban development • Mine clearance • National police
United Nations Development Programme						<ul style="list-style-type: none"> • Capacity building in the Ministry of Finance 	<ul style="list-style-type: none"> • Public administration • Preparation of the National Development Framework • Employment

ODA = official development assistance.

ODA Source/ Country	Agriculture and Natural Resource Management	Energy	Industry	Transport and Communications	Health and Education	Finance	Multisector
							generation • Information and communication technology
Bilateral							
United States	<ul style="list-style-type: none"> • Food security • Food aid • High impact project • Rural development • Agriculture and horticulture 			<ul style="list-style-type: none"> • Road transport 	<ul style="list-style-type: none"> • Health assistance • Counternarcotics programs • Basic education • Social welfare services 		<ul style="list-style-type: none"> • Governance and security • Migration and refugee assistance • Job generation and technical assistance • Demining and mine awareness
Japan					<ul style="list-style-type: none"> • Capacity building • Prevention of infectious diseases • Medical supplies 		<ul style="list-style-type: none"> • Cash grant and humanitarian assistance • Demining
Belgium	<ul style="list-style-type: none"> • Emergency food aid 				<ul style="list-style-type: none"> • Education policy • Basic health care • Water supply and sanitation • Women in development 		<ul style="list-style-type: none"> • Governance and security
Canada					<ul style="list-style-type: none"> • Basic education • Basic health care • Social welfare • Women in development 		<ul style="list-style-type: none"> • Governance and security • Emergency assistance
Denmark	<ul style="list-style-type: none"> • Agriculture and horticulture 				<ul style="list-style-type: none"> • Basic education • Women in development 		<ul style="list-style-type: none"> • Governance and security
Germany		<ul style="list-style-type: none"> • Energy generation and supply 			<ul style="list-style-type: none"> • Basic and secondary education • Basic health care • Social welfare 	<ul style="list-style-type: none"> • Financial policy and administrative management 	<ul style="list-style-type: none"> • Governance and security • Urban development

ODA Source/ Country	Agriculture and Natural Resource Management	Energy	Industry	Transport and Communications	Health and Education	Finance	Multisector
					<ul style="list-style-type: none"> • Women in development 		
India	<ul style="list-style-type: none"> • Supply of seeds, implements and experts 	<ul style="list-style-type: none"> • 	<ul style="list-style-type: none"> • Rehabilitation of industrial parks in Kabul 	<ul style="list-style-type: none"> • Supply of buses/vehicles and commercial aircrafts • Supply of experts 	<ul style="list-style-type: none"> • Doctors, technicians and medicines • Construction of hospitals and training of doctors • Provision of teachers and training and construction of schools • Computerization and training 		

ASSISTANCE PIPELINE FOR 2002-2004**Table A4.1: Lending Program for 2002-2004**

Sector/Project Name	Poverty Classification	Thematic Priority	Year of PPTA	Total Project Cost	Project Cost Financing (\$ million)				
					ADB			Govt	Cofinancing
					ADF	OCR	Total		
2002 Firm Loans									
Multisector									
1 Postconflict Multisector Program Loan	PI	ECO	2002	150.0	150.0	0.0	150.0	0.0	0.0
Subtotal				150.0	150.0	0.0	150.0	0.0	0.0
Total				150.0	150.0	0.0	150.0	0.0	0.0

ADB = Asian Development Bank, ADF = Asian Development Fund, ECO = economic growth, OCR = ordinary capital resources, PI = poverty intervention, PPTA = project preparatory technical assistance.

Table A4.1 (continued): Lending Program for 2002-2004

Sector/Project Name	Poverty Classification	Thematic Priority	Year of PPTA	Total Project Cost	Project Cost Financing (\$ million)				
					ADB			Govt	Cofinancing
					ADF	OCR	Total		
2003 Loans									
Agriculture and Natural Resources									
1 Restoring Basic Input Supply Capacity	CPI	ECO	2003	14.0	14.0	0.0	14.0	0.0	0.0
Subtotal				14.0	14.0	0.0	14.0	0.0	0.0
Infrastructure									
2 Rehabilitation/Reconstruction of International Link Roads and Damaged Bridges	CPI	ECO	2003	61.0	61.0	0.0	61.0	0.0	0.0
3 Rebuilding of Power Transmission Line and Rehabilitation of Gas Sector	PI	ECO	2003	33.0	33.0	0.0	33.0	0.0	0.0
Subtotal				94.0	94.0	0.0	94.0	0.0	0.0
Social Sector									
4 Education Reconstruction Project	PI	HD	2003	15.0	15.0	0.0	15.0	0.0	0.0
5 Youth and Adult Nonformal Education	PI	HD	2003	15.0	15.0	0.0	15.0	0.0	0.0
6 Social Sector Rehabilitation Program	PI	HD	2003	20.0	20.0	0.0	20.0	0.0	0.0
Subtotal				50.0	50.0	0.0	50.0	0.0	0.0
Governance and Finance									
7 Support for Strengthening Rural and Microfinancial Systems	CPI	ECO	2003	32.0	32.0	0.0	32.0	0.0	0.0
Subtotal				32.0	32.0	0.0	32.0	0.0	0.0
Total				190.0	190.0	0.0	190.0	0.0	0.0

CPI = core poverty intervention, HD = human development.

Table A4.1 (continued): Lending Program for 2002-2004

Sector/Project Name	Poverty Classification	Thematic Priority	Year of PPTA	Total Project Cost	Project Cost Financing (\$ million)				
					ADB			Govt	Cofinancing
					ADF	OCR	Total		
2004 Loans									
Agriculture and Natural Resources									
1 Completion/Rehabilitation of Larger Scale Irrigation Schemes	PI	ECO	2003	20.0	20.0	0.0	20.0	0.0	0.0
Subtotal				20.0	20.0	0.0	20.0	0.0	0.0
Infrastructure									
2 Rehabilitation/Reconstruction of Kandhar-Herat-Torghundi Road	PI	ECO	2003	30.0	30.0	0.0	30.0	0.0	0.0
3 Rehabilitation of Petroleum Storage Facilities	PI	ECO	2003	15.0	15.0	0.0	15.0	0.0	0.0
4 First Natural Gas Development	PI	ECO	2003	25.0	25.0	0.0	25.0	0.0	0.0
Subtotal				70.0	70.0	0.0	70.0	0.0	0.0
Total				90.0	90.0	0.0	90.0	0.0	0.0
Total (2002-2004)				430.0	280.0	0.0	280.0	0.0	0.0

Table A4.2: Nonlending Program for 2002-2004

Sector/Project Name	Type of TA	Amount (\$'000)		
		ADB	Others	Total
2002 Nonlending Pipeline				
1 TA Cluster for Capacity Building for Reconstruction and Development	ADTA	14,500	0	14,500
2 Disaster Preparedness and Management Capacity Building	ADTA	500	0	500
Total		15,000	0	15,000

ADB = Asian Development Bank, ADTA = advisory technical assistance, TA = technical assistance.

Note : Although the proposed TA program has been endorsed by the Interim Administration of Afghanistan, financing of components of the cluster may be subject to further reprioritization.

Table A4.2 (continued): Nonlending Program for 2002-2004

Sector/Project Name	Type of TA	Amount (\$'000)		
		ADB	Others	Total
2003 Nonlending Pipeline				
Agriculture and Natural Resources Management				
1 Feasibility Studies for Water Resources Development (Irrigation and Hydropower)	PPTA	650	0	650
2 Feasibility Studies for Other Natural Resources (Watersheds, Forests, Pastures)	PPTA	550	0	550
3 Capacity Building in Water Resources Planning and Management	ADTA	1,000	0	1,000
4 Capacity Building for Ministry of Finance	ADTA	400	0	400
5 Biodiversity Conservation	ADTA	1,000	0	1,000
6 Capacity Building for Renewable Energy	ADTA	250	0	250
Subtotal		3,850	0	3,850
Infrastructure				
7 Study to Establish Gas Regulatory Framework	ADTA	650	0	650
8 Institutional Strengthening of Gas Subsector	ADTA	500	0	500
9 Capacity Building for Local Consulting and Contracting Industry	ADTA	1,000	0	1,000
10 Master Plan for Gas Subsector	ADTA	1,000	0	1,000
11 Preparing Road Sector Development Framework (Including Cost Recovery and Financing)	ADTA	550	0	550
12 Promoting International Trade and Cross-Border Trade Facilitation	ADTA	500	0	500
Subtotal		4,200	0	4,200
Social Sector				
13 Capacity Building for Skills Development and Nonformal Education	ADTA	700	0	700
Subtotal		700	0	700
Governance and Finance				
14 Capacity Building for Aid Coordination and Financial Planning II	ADTA	250	0	250
15 Feasibility Study for Microfinance Development	PPTA	1,000	0	1,000
Subtotal		1,250	0	1,250
Total		10,000	0	10,000

PPTA = project/program preparatory technical assistance.

Table A4.2 (continued): Nonlending Program for 2002-2004

Sector/Project Name	Type of TA	Amount (\$'000)		
		ADB	Others	Total
2004 Nonlending Pipeline				
Agriculture and Natural Resources Management				
1 Capacity Building for Decentralized Service Delivery in Agriculture, Rural Development, and Irrigation	ADTA	2,250	0	2,250
Subtotal		2,250	0	2,250
Infrastructure				
2 Safety and Efficiency Improvement in the Gas Subsector	ADTA	500	0	500
3 Feasibility Study for Infrastructure Reconstruction and Development Program	ADTA	1,250	0	1,250
Subtotal		1,750	0	1,750
Social Sector				
4 Feasibility Study for Social Sector Rehabilitation and Development	PPTA	1,250	0	1,250
Subtotal		1,250	0	1,250
Governance and Finance				
5 Capacity Building for Aid Coordination and Financial Planning III	ADTA	250	0	250
6 Feasibility Study for SME Finance and Development	PPTA	1,000	0	1,000
7 Debt Recording and Management System for Ministry of Finance	ADTA	3,500	0	3,500
Subtotal		4,750	0	4,750
Total		10,000	0	10,000
Total (2002-2004)		35,000	0	35,000

Table A4.3: Other Nonlending Program for 2002

Sector/Project Name	Poverty Classification	Thematic Priority	Year of PPTA	Total Project Cost	Project Cost Financing (\$ million)				
					ADB			Govt	Cofinancing
					ADF	Grant	Total		
Agriculture and Natural Resources									
1 Pilot Rural Anti-Poverty Initiatives Project	CPI	ECO	2002	10.0	0.0	10.0	10.0	0.0	0.0
Subtotal				10.0	0.0	10.0	10.0	0.0	0.0
Infrastructure									
2 Pilot Social Protection for Poor through Rural Road Restoration	CPI	ECO	2002	15.0	0.0	15.0	15.0	0.0	0.0
Subtotal				15.0	0.0	15.0	15.0	0.0	0.0
Social Sector									
3 Pilot School-community Partnerships for New Sustainable Gender Sensitive Education	CPI	HD	2002	7.0	0.0	7.0	7.0	0.0	0.0
4 Pilot Primary Health Care Partnership	CPI	HD	2002	3.0	0.0	3.0	3.0	0.0	0.0
Subtotal				10.0	0.0	10.0	10.0	0.0	0.0
Total				35.0	0.0	35.0	35.0	0.0	0.0

ADB = Asian Development Bank, ADF = Asian Development Fund, CPI = core poverty intervention, ECO = economic growth, HD = human development, PPTA = project preparatory technical assistance.

Table A4.4: Projects by Poverty Classification, Thematic Priority, and Sector, 2002-2004

Classification	2002		2003		2004	
	no.	%	no.	%	no.	%
A. By Poverty Classification						
Core Poverty Intervention	0	0.0	3	42.9	0	0.0
Poverty Intervention	1	100.0	4	57.1	4	100.0
Other	0	0.0	0	0.0	0	0.0
Total	1	100.0	7	100.0	4	100.0
B. By Thematic Priority						
Economic Growth	1	100.0	4	57.1	4	100.0
Human Development	0	0.0	3	42.9	0	0.0
Gender and Development	0	0.0	0	0.0	0	0.0
Good Governance	0	0.0	0	0.0	0	0.0
Environmental Protection	0	0.0	0	0.0	0	0.0
Private Sector Development	0	0.0	0	0.0	0	0.0
Regional Cooperation	0	0.0	0	0.0	0	0.0
Total	1	100.0	7	100.0	4	100.0
C. By Sector						
Agriculture, Natural Resources and Rural Development	0	0.0	1	14.3	1	25.0
Governance, Finance and Trade	0	0.0	1	14.3	0	0.0
Social Infrastructure	0	0.0	3	42.9	0	0.0
Transport, Communications and Energy	0	0.0	2	28.6	3	75.0
Multisector	1	100.0	0	0.0	0	0.0
Total	1	100.0	7	100.0	4	100.0

**Table A5.1: Postconflict Multisector Program Loan
CONCEPT PAPER**

Date: 6 May 2002

<p>1. Type/modality of assistance (double-click on appropriate box)</p> <p><input checked="" type="checkbox"/> Lending</p> <p> <input type="checkbox"/> Project loan</p> <p> <input checked="" type="checkbox"/> Program loan</p> <p> <input type="checkbox"/> Sector loan</p> <p> <input type="checkbox"/> Sector development program loan</p> <p> <input type="checkbox"/> Other: {specify, e.g., loan-financed project preparatory, project implementation, or advisory activities}</p> <p><input type="checkbox"/> Nonlending</p> <p> <input type="checkbox"/> Project preparatory</p> <p> <input type="checkbox"/> Other than project preparatory</p> <p> <input type="checkbox"/> Economic, thematic, and sector work</p> <p> <input type="checkbox"/> Institutional development</p> <p> <input type="checkbox"/> Other: {specify}</p> <p><input type="checkbox"/> Activities financed by JFICT or JFPR</p>										
<p>2. Assistance Focus</p> <p>a. If assistance focuses on a particular sector or subsector, specify the Sector: Multisector Subsector: {Agriculture and Natural Resource Management, Education, Health, Road Transport and Energy}</p> <p>b. For project preparatory and lending, classification {check one}</p> <p> <input type="checkbox"/> Core poverty intervention</p> <p> <input checked="" type="checkbox"/> Poverty intervention</p> <p>c. Key thematic area(s) {check more than one category, if applicable}</p> <table border="0"> <tr> <td><input checked="" type="checkbox"/> Economic growth</td> <td><input type="checkbox"/> Human development</td> </tr> <tr> <td><input type="checkbox"/> Gender and development</td> <td><input type="checkbox"/> Good governance</td> </tr> <tr> <td><input type="checkbox"/> Environmental protection</td> <td><input type="checkbox"/> Private sector development</td> </tr> <tr> <td><input type="checkbox"/> Regional cooperation</td> <td><input type="checkbox"/> Social protection</td> </tr> <tr> <td><input type="checkbox"/> Other: {specify}</td> <td></td> </tr> </table>	<input checked="" type="checkbox"/> Economic growth	<input type="checkbox"/> Human development	<input type="checkbox"/> Gender and development	<input type="checkbox"/> Good governance	<input type="checkbox"/> Environmental protection	<input type="checkbox"/> Private sector development	<input type="checkbox"/> Regional cooperation	<input type="checkbox"/> Social protection	<input type="checkbox"/> Other: {specify}	
<input checked="" type="checkbox"/> Economic growth	<input type="checkbox"/> Human development									
<input type="checkbox"/> Gender and development	<input type="checkbox"/> Good governance									
<input type="checkbox"/> Environmental protection	<input type="checkbox"/> Private sector development									
<input type="checkbox"/> Regional cooperation	<input type="checkbox"/> Social protection									
<input type="checkbox"/> Other: {specify}										
<p>3. Coverage {click on appropriate box}</p> <p><input checked="" type="checkbox"/> Country <input type="checkbox"/> Subregional <input type="checkbox"/> Interregional</p> <p><input type="checkbox"/> Internal policy development</p>										
<p>4. Responsible division/department: SAOC/SAAE/SASS/SAID/SAGF</p>										
<p>5. Responsible ADB officer(s): C. Steffensen</p>										
<p>6. Description of assistance(s)</p> <p>a. Background/linkage to country/regional strategy: The Afghan economy is one of the poorest in the world, and Afghanistan has been designated as a least developed country under the United Nations classification. More than 20 years of external aggression and civil war have devastated the economy and physical infrastructure, and have ravaged its social, political, and ethnic fabric. The destructive impacts of Soviet aggression, civil war, and the brutally repressive Taliban regime were aggravated by four years of drought, which continue to seriously affect agricultural, horticultural, and livestock production. The Interim Administration of Afghanistan (IAA) is endeavoring to revive an economy that for all practical purposes had come to a standstill, with production, consumption, trade, saving, investment, and capital accumulation either having collapsed or functioning at a very low level. In this context the objective of ADB's initial strategy and operations in Afghanistan is to assist the Government in the reconstruction and rehabilitation of the country to ensure a seamless transition from humanitarian to reconstruction and development assistance. An appropriate policy and institutional framework must be in place to support investment in reconstruction, which also requires sound governance. Transparency, accountability, participation, and the rule of law</p>										

provide the basis for good governance, which must be established at all levels from the center to the community and local levels.

b. Goal and purpose: The objective of the program loan would be to promote economic recovery and growth by addressing policy and institutional constraints to the functioning of the agriculture, social sectors, transport and energy sectors through support for market-based policies, institutional reforms, and sustainable financing. Substantial amount of the loan could be earmarked to meet the specific costs of adjustments and to support agriculture sector rehabilitation, national road building, and rehabilitation of primary schools and other facilities. Improvements in the efficiency of these sectors will bring major benefits to industry, agriculture, and to poor isolated communities. The Program is in consonance with the initiatives of the International Monetary Fund (IMF) and the World Bank Group which are aimed at facilitating Afghanistan's transition to a market economy.

c. Components and outputs: The program will have four components: (i) support for establishing a clear and well defined policy and legal framework for agriculture, social sectors, transport and energy sectors; (ii) improving management efficiency of these sectors by restructuring key institutions; (iii) establishing regulatory and market-based pricing policy framework for the sectors, and (iv) support for agriculture sector rehabilitation, national road building, and rehabilitation of primary schools and other facilities. Specific outputs will include government policy statements and new legal instruments for agriculture, social sectors, transport and energy sectors, regulatory framework for water use in agriculture, chemical and pesticide use, natural resource management, health service delivery, gas, electricity and petroleum and petroleum products.

d. Expected results and deliverables: The program will help to increase capacity utilization and improve production in Afghanistan's economy by removing key constraints to the functioning agriculture, social sectors, transport and energy sectors through support for market-based policies, institutional reforms, sustainable financing and rehabilitation of essential infrastructures. The program will assist in meeting some of the adjustment costs of the reform process to ensure improved functioning of these sectors. Reform of agriculture sector would help improve the livelihood of the 80% of the population and contribute to conservation of natural resources. Social sector reform would be critical in ensuring delivery of cost-effective and efficient services to the population especially in rural areas which are currently under served. The program will help to reduce disruptions to production in those sectors of the economy for which transport and energy are essential inputs, encourage the use of these services in those activities in which returns are greatest, and reduce waste associated with low prices. Given the important contribution of energy and transport to economic activity, the benefits of the program will be felt throughout the economy. In addition, the Program will build broad-based understanding and consensus on the need for reform through the development of a transparent participative framework.

e. Social or environmental issues or concerns: The program will improve efficiency of production and service delivery which in turn will contribute to increased production and employment generation thereby reducing poverty, under nutrition, malnutrition, and improving other social and economic indicators for Afghanistan. The severe deterioration of the road network has impeded the input supply and the marketing of outputs for rural areas, reduced public access to education and health care, and hindered the delivery of humanitarian relief in terms of food and medicine to vulnerable groups. Unreliable power and heating have also adversely impacted on the population through the closure of schools and clinics during winter. While the Program is expected to yield substantial benefits, there will also be medium-term social adjustment costs. Negative Program impacts are likely to be short-term loss of jobs through restructuring, and rising prices for essential goods and services due to the progressive introduction of full cost recovery for power and gas prices, as increases in user charges may constitute a significant cost to some consumers. Costs to the public sector of providing health and education services may also increase with short-term impacts on operational budgets. The process of restructuring and commercializing may lead to a loss of jobs and social services currently provided by some State-owned enterprises. Mitigation measures will be put in place to deal with these consequences. Private sector will be stimulated and generate income and employment.

f. Plans for disseminating results/deliverables: Dissemination workshops in Kabul and other selective provinces (if the security condition improves) at the end of the program.

7. Proposed executing/implementing agencies: The Ministry of Finance (MOF) will be the executing agency. Concerned ministries of departments will be designated as the implementing agency as appropriate for each component. A National TA Steering Committee will be established with the Minister of Finance as the Chairperson and the TAC coordinator as the member-secretary. The Committee will meet quarterly to review progress of implementation, compliance with policy conditionalities, and to resolve interdepartmental and other issues.

8. Nature/extent of government/beneficiary involvement in identifying or conceptualizing the assistance:

Active involvement of stakeholders will be achieved through direct consultation and national and regional workshops

at the design inception, implementation, monitoring and evaluation stages. In order to gain from broad-based consultation, National Workshops will coincide with semiannual meetings. A high degree of ownership will require measures to strengthen the skills of stakeholders. The international consultants involved in all Sub-TAs of the Cluster TA would be required to have strong capabilities in organizing and moderating participatory processes in addition to his/her technical skills. The participatory process as well as the progress of implementation will be closely monitored by AACA for all components. Resources are provided to support monitoring and evaluation at the level of AACA. An external independent body will carry out evaluation. Views and direct participation of the civil society will be sought for all relevant activities at different stages of design and implementation.

(Note: Mention the institutions in government and civil society, including nongovernmental organizations, that have been consulted about the project, and the nature of the consultations.)

9. Timetable for assistance design, processing, and implementation

- a. Year included in CSP, CSP update, SCSP, SCSP update, or interregional work plan: 2002
- b. Expected date of submission for approval
 - Lending: **August 2002**
 - Nonlending (project preparatory):
 - Nonlending (other than project preparatory):
 - Activities financed by JFICT or JFPR:
- c. Period and duration of assistance(s)
 - Lending: **24 months**
 - Nonlending:
 - Activities financed by JFICT or JFPR:

10. Financing Plan (Indicate possible financing sources and amount of assistance, cost estimates, and financing arrangements)

- a. For lending
 - Ordinary capital resources: \${amount}
 - Asian Development Fund: \$150 million
 - Other: {specify} \${amount}

If cofinancing is required indicate sources, and amount sought:

If known, provide cost estimates and financing arrangements. (e.g., total cost, ADB financing, other financing, and government financing):

- b. For nonlending
 - No resources required, other than ADB staff
 - ADB's administrative budget: \${amount}
 - Grant TA funds
 - TA Special Fund: \$
 - Japan Special Fund: \${amount}
 - Other (specify, e.g., bilateral and multilateral trust funds): \${amount}

If cofinancing is required indicate sources, and amount sought:

If known, provide cost estimates and financing arrangements. (e.g., total cost, ADB financing, other financing, and government financing):

- c. For projects financed by
 - JFICT: \$
 - JFPR: \$

If cofinancing is required indicate sources, and amount sought:

If known, provide cost estimates and financing arrangements. (e.g., total cost, ADB financing, other financing, and government financing):

ADB = Asian Development Bank, CSP = country strategy and program, JFICT = Japan Fund for Information and Communication Technology, JFPR = Japan Fund for Poverty Reduction, SCSP = subregional cooperation strategy and program, TA = technical assistance.

**Table A5.2: TA Cluster for Capacity Building for Reconstruction and Development
CONCEPT PAPER**

Date: 6 May 2002

<p>1. Type/modality of assistance (double-click on appropriate box)</p> <p><input type="checkbox"/> Lending</p> <p><input type="checkbox"/> Project loan</p> <p><input type="checkbox"/> Program loan</p> <p><input type="checkbox"/> Sector loan</p> <p><input type="checkbox"/> Sector development program loan</p> <p><input type="checkbox"/> Other: {specify, e.g., loan-financed project preparatory, project implementation, or advisory activities}</p> <p><input checked="" type="checkbox"/> Nonlending</p> <p><input type="checkbox"/> Project preparatory</p> <p><input type="checkbox"/> Other than project preparatory</p> <p><input type="checkbox"/> Economic, thematic, and sector work</p> <p><input checked="" type="checkbox"/> Institutional development</p> <p><input type="checkbox"/> Other: {specify}</p> <p><input type="checkbox"/> Activities financed by JFICT or JFPR</p>										
<p>2. Assistance Focus</p> <p>a. If assistance focuses on a particular sector or subsector, specify the Sector: Multisector Subsector: Agriculture and Natural Resource Management, Education, Health, Roads, Energy, and Finance</p> <p>b. For project preparatory and lending, classification {check one}</p> <p><input type="checkbox"/> Core poverty intervention</p> <p><input checked="" type="checkbox"/> Poverty intervention</p> <p>c. Key thematic area(s) {check more than one category, if applicable}</p> <table border="0"> <tr> <td><input checked="" type="checkbox"/> Economic growth</td> <td><input type="checkbox"/> Human development</td> </tr> <tr> <td><input type="checkbox"/> Gender and development</td> <td><input type="checkbox"/> Good governance</td> </tr> <tr> <td><input type="checkbox"/> Environmental protection</td> <td><input type="checkbox"/> Private sector development</td> </tr> <tr> <td><input type="checkbox"/> Regional cooperation</td> <td><input type="checkbox"/> Social protection</td> </tr> <tr> <td><input type="checkbox"/> Other: {specify}</td> <td></td> </tr> </table>	<input checked="" type="checkbox"/> Economic growth	<input type="checkbox"/> Human development	<input type="checkbox"/> Gender and development	<input type="checkbox"/> Good governance	<input type="checkbox"/> Environmental protection	<input type="checkbox"/> Private sector development	<input type="checkbox"/> Regional cooperation	<input type="checkbox"/> Social protection	<input type="checkbox"/> Other: {specify}	
<input checked="" type="checkbox"/> Economic growth	<input type="checkbox"/> Human development									
<input type="checkbox"/> Gender and development	<input type="checkbox"/> Good governance									
<input type="checkbox"/> Environmental protection	<input type="checkbox"/> Private sector development									
<input type="checkbox"/> Regional cooperation	<input type="checkbox"/> Social protection									
<input type="checkbox"/> Other: {specify}										
<p>3. Coverage {click on appropriate box}</p> <p><input checked="" type="checkbox"/> Country <input type="checkbox"/> Subregional <input type="checkbox"/> Interregional</p> <p><input type="checkbox"/> Internal policy development</p>										
<p>4. Responsible division/department: SAOC/SAAE/SAGF/SAID/SASS/SARD</p>										
<p>5. Responsible ADB officer(s): M/ Fujimura/D. Walton/A. Kelly/J. Sarvi/L. Gutierrez/H. Masood/T. Kimura/R. Limjoco</p>										
<p>6. Description of assistance(s)</p> <p>a. Background/linkage to country/regional strategy: More than two decades of war, civil strife and periodic drought have devastated the Afghanistan economy. While many donor agencies have made generous pledges to assist reconstruction, there is concern about the capacity of the IAA to effectively absorb and utilize this assistance. A Civil Service Commission is expected to start work in 2002 to assist the Administration in creating an independent and qualified civil service. Meantime, the administration has little capacity for planning reconstruction and implementing even basic rehabilitation. Most civil servants have no exposure to modern administrative, planning and implementation practices. Rather, there is a strong tendency to hark back to the former period when large, centrally planned ministries governed the country. There is a clear need to expose civil servants to up-to-date governance practices and modern economic concepts.</p> <p>b. Goal and purpose: The objective of the TAC is to assist the IAA and the subsequent Transitional Authority</p>										

to strengthen the capacity of key government and civil society institutions to support the country's rehabilitation and reconstruction. A secondary objective is to support some basic steps towards laying the foundation for a transparent, well-functioning public administration.

c. Components and outputs: The TAC will have four components: (i) **Sub-TA 1** – capacity building for reconstruction of agriculture and natural resource management; (ii) **Sub-TA 2** – capacity building for rehabilitation and reconstruction of social sectors, (iii) **Sub-TA 3** – capacity building for rehabilitation and reconstruction of road transport and energy sectors, and (iv) **Sub-TA 4** – support for rebuilding of Afghanistan's financial sector. Sub-TA 1 will support the following subcomponents: (i) restructuring of the Ministries of Agriculture (MOA), Irrigation and Water Resources (MOIWR), and Rehabilitation and Rural Development (MRRD); (ii) support for agriculture sector strategy, policy, planning and monitoring, including special studies of key agricultural subsectors; and (iii) establishment of environmental management capacity. **Sub-TA 1** and **Sub-TA 3** will support the second pillar of the NDF of the government, which is physical reconstruction and natural resources. The **Sub-TA 2** will support the first pillar of the NDF of the government, which is humanitarian and human and social capital. **Sub-TA 4** will support the third pillar of the NDF of the government, which is private sector development.

d. Expected results and deliverables: **Sub-TA 1** will support the formulation of a sound strategic and policy framework; and build capacity for planning, implementing, and monitoring reconstruction and development projects and programs in the areas of agriculture, natural resource management, rural development, and environment. **Sub-TA 2** will support capacity building for educational planning, policy formulation and monitoring, retraining of current teachers and training of new teachers, strengthening of planning for higher education and development of curriculum and text books and improving the quality of education. It will also strengthen the Ministry of Public Health to plan infrastructure development, plan and restore essential services, and provide the necessary human, technical and equipment support for an effective health care delivery. Finally, **Sub-TA 2** will support capacity building in the Ministry of Women's Affairs (MOWA) to work closely with the NGO community to help create an enabling environment so that within the context of religious, family, cultural and traditional values of Afghanistan, women are able to play their role as productive citizens, producers, service providers, and social workers more effectively.

e. Social or environmental issues or concerns:

f. Plans for disseminating results/deliverables: Dissemination workshops in Kabul and other selective provinces (if the security condition improves) at the end of the technical assistance.

7. Proposed executing/implementing agencies: The Ministry of Finance (MOF) will be the executing agency. Concerned ministries of departments will be designated as the implementing agency as appropriate for each sub-TA or component. A National TA Steering Committee will be established with the Minister of Finance as the Chairperson and the TAC coordinator as the member-secretary. The Committee will meet quarterly to review progress of implementation and to resolve interdepartmental and other issues. Tripartite review meetings with the Government, TA consultants, and ADB will be organized during implementation of each sub-TA and major sub component.

8. Nature/extent of government/beneficiary involvement in identifying or conceptualizing the assistance:

Active involvement of stakeholders will be achieved through national and regional workshops at the inception, interim and draft final stages. In order to gain from broad-based consultation, National Workshops will coincide with semiannual meetings. A high degree of ownership will require measures to strengthen the skills of stakeholders. The international consultants involved in all Sub-TA would be required to have strong capabilities in organizing and moderating participatory processes in addition to his/her technical skills. The participatory process as well as the progress of implementation will be closely monitored by AACA for all Sub-TAs. Resources are provided under contingency in each Sub-TA in order to support monitoring and evaluation at the level of AACA. An external independent body will carry out evaluation.

(Note: Mention the institutions in government and civil society, including nongovernmental organizations, that have been consulted about the project, and the nature of the consultations.)

9. Timetable for assistance design, processing, and implementation

- a. Year included in CSP, CSP update, SCSP, SCSP update, or interregional work plan: 2002
- b. Expected date of submission for approval
 - Lending:
 - Nonlending (project preparatory):
 - Nonlending (other than project preparatory): **May 2002**
 - Activities financed by JFICT or JFPR:

- c. Period and duration of assistance(s)
 Lending:
 Nonlending: **24 months**
 Activities financed by JFICT or JFPR:

10. Financing Plan (Indicate possible financing sources and amount of assistance, cost estimates, and financing arrangements)

- a. For lending
- Ordinary capital resources: \${amount}
 - Asian Development Fund: \${amount}
 - Other: {specify} \${amount}

If cofinancing is required indicate sources, and amount sought:

If known, provide cost estimates and financing arrangements. (e.g., total cost, ADB financing, other financing, and government financing):

- b. For nonlending
- No resources required, other than ADB staff
 - ADB's administrative budget: \${amount}
 - Grant TA funds
 - TA Special Fund: \$14.5 million
 - Japan Special Fund: \${amount}
 - Other (specify, e.g., bilateral and multilateral trust funds): \${amount}

If cofinancing is required indicate sources, and amount sought:

If known, provide cost estimates and financing arrangements. (e.g., total cost, ADB financing, other financing, and government financing):

- c. For projects financed by
- JFICT: \$
 - JFPR: \$

If cofinancing is required indicate sources, and amount sought:

If known, provide cost estimates and financing arrangements. (e.g., total cost, ADB financing, other financing, and government financing):

ADB = Asian Development Bank, CSP = country strategy and program, JFICT = Japan Fund for Information and Communication Technology, JFPR = Japan Fund for Poverty Reduction, SCSP = subregional cooperation strategy and program, TA = technical assistance.

**Table A5.3: Disaster Preparedness and Management Capacity Building
CONCEPT PAPER**

Date: 6 May 2002

<p>1. Type/modality of assistance (double-click on appropriate box)</p> <p><input type="checkbox"/> Lending</p> <p> <input type="checkbox"/> Project loan</p> <p> <input type="checkbox"/> Program loan</p> <p> <input type="checkbox"/> Sector loan</p> <p> <input type="checkbox"/> Sector development program loan</p> <p> <input type="checkbox"/> Other: {specify, e.g., loan-financed project preparatory, project implementation, or advisory activities}</p> <p><input checked="" type="checkbox"/> Nonlending</p> <p> <input type="checkbox"/> Project preparatory</p> <p> <input type="checkbox"/> Other than project preparatory</p> <p> <input type="checkbox"/> Economic, thematic, and sector work</p> <p> <input checked="" type="checkbox"/> Institutional development</p> <p> <input type="checkbox"/> Other: {specify}</p> <p><input type="checkbox"/> Activities financed by JFICT or JFPR</p>										
<p>2. Assistance Focus</p> <p>a. If assistance focuses on a particular sector or subsector, specify the Sector: Agriculture and Natural Resources Subsector: {insert subsector name}</p> <p>b. For project preparatory and lending, classification {check one}</p> <p><input type="checkbox"/> Core poverty intervention</p> <p><input type="checkbox"/> Poverty intervention</p> <p>c. Key thematic area(s) {check more than one category, if applicable}</p> <table border="0"> <tr> <td><input type="checkbox"/> Economic growth</td> <td><input type="checkbox"/> Human development</td> </tr> <tr> <td><input type="checkbox"/> Gender and development</td> <td><input type="checkbox"/> Good governance</td> </tr> <tr> <td><input type="checkbox"/> Environmental protection</td> <td><input type="checkbox"/> Private sector development</td> </tr> <tr> <td><input type="checkbox"/> Regional cooperation</td> <td><input type="checkbox"/> Social protection</td> </tr> <tr> <td><input checked="" type="checkbox"/> Other: Disaster Preparedness</td> <td></td> </tr> </table>	<input type="checkbox"/> Economic growth	<input type="checkbox"/> Human development	<input type="checkbox"/> Gender and development	<input type="checkbox"/> Good governance	<input type="checkbox"/> Environmental protection	<input type="checkbox"/> Private sector development	<input type="checkbox"/> Regional cooperation	<input type="checkbox"/> Social protection	<input checked="" type="checkbox"/> Other: Disaster Preparedness	
<input type="checkbox"/> Economic growth	<input type="checkbox"/> Human development									
<input type="checkbox"/> Gender and development	<input type="checkbox"/> Good governance									
<input type="checkbox"/> Environmental protection	<input type="checkbox"/> Private sector development									
<input type="checkbox"/> Regional cooperation	<input type="checkbox"/> Social protection									
<input checked="" type="checkbox"/> Other: Disaster Preparedness										
<p>3. Coverage {click on appropriate box}</p> <p><input checked="" type="checkbox"/> Country <input type="checkbox"/> Subregional <input type="checkbox"/> Interregional</p> <p><input type="checkbox"/> Internal policy development</p>										
<p>4. Responsible division/department: SAOC/SARD</p>										
<p>5. Responsible ADB officer(s): M. Fujimura</p>										
<p>6. Description of assistance(s)</p> <p>a. Background: Deadly earthquakes hit Northeastern Afghanistan in March 2002, killing up to 1,300 people. Most of the deaths in the former earthquake were the result of triggered landslides, while those in the latter were mainly caused by collapsed structures. The affected area of the latter earthquake extends to 12-15 kilometer around Nahrin, with 40 villages and estimated population of 80,000 affected. Many parts of the country have also been also plagued with a three-year drought which depressed agricultural activities, a lifeline for more than 85 percent of the country's population. These natural disasters could hit the country any time in the future. Currently the function of relief operation is mainly related to post-disaster emergency response rather than disaster mitigation, and the Government entirely relies on external assistance for the mitigation activities. At present there is no integrated disaster preparedness and management plan. Being prone to the two major natural disasters, Afghanistan needs an increased disaster preparedness and management are essential for reducing the economic and social cost of natural disasters</p> <p>b. Goal and purpose: The main objective of the technical assistance is to support capacity building of the</p>										

Office of Disaster Preparedness to become a credible coordination agency and a focal point for multi-disaster related efforts and issues in Afghanistan, from prevention and mitigation, to relief and reconstruction.

c. Components and outputs: The technical assistance may support the following outputs:

- (i) Assessment of institutional and skills gap/training needs.
- (ii) Assessment of database and information management system.
- (iii) Establishment of a national disaster management committee.
- (iv) Preparation of a framework for national disaster preparedness and management
- (v) Development of action plans for prioritized disaster types.

d. Expected results and deliverables: Afghanistan will have a focal point for national level disaster preparedness policy and actions. The country will have a management committee comprising relevant government agencies with improved coordination of disaster preparedness and management. The dissemination workshops will enhance awareness of the importance of long-term planning in this area.

e. Social or environmental issues or concerns: Due to more than two decades of war and conflicts, psychological alertness of general population toward natural disasters and commitment of relevant government officials may have to be built up gradually as peace dividends take root. Considering the low level of local human capacity in all sectors of the Afghan government, the TA activities will adjust to the available level of counterpart technical skills, and awareness building will be the minimum target of the TA.

f. Plans for disseminating results/deliverables: Dissemination workshops in Kabul and other selective provinces (if the security condition improves) at the end of the technical assistance.

7. Proposed executing/implementing agencies: The Office of Disaster Preparedness under the Prime Minister's Office will be the Executing Agency (EA) for the TA. The TA activities will be coordinated through a steering committee, comprising the EA; relevant line ministries such as Ministry of Agriculture, Ministry of Irrigation, Ministry of Water Resources; donor agencies such as UNDP, FAO, UNICEF; and NGOs active in natural disaster relief. The EA will provide counterpart staff, local transportation, local communication facilities, and suitable office space to the extent possible.

8. Nature/extent of government/beneficiary involvement in identifying or conceptualizing the assistance: The TA activities will begin with reviewing existing government organization, strategy and planning for disaster preparedness, and identifying major domestic and international players that are currently engaged in the area, and consult these players in conceptualizing a suitable organizational structure of a disaster management committee. Therefore, the process will be inclusive from the beginning of the TA. Some key players for collaboration have been identified during the fact-finding Mission on 9-12 May 2002.

(Note: Mention the institutions in government and civil society, including nongovernmental organizations, that have been consulted about the project, and the nature of the consultations.)

9. Timetable for assistance design, processing, and implementation

- a. Year included in CSP, CSP update, SCSP, SCSP update, or interregional work plan: 2002
- b. Expected date of submission for approval
 - Lending:
 - Nonlending (project preparatory):
 - Nonlending (other than project preparatory): **May 2002**
 - Activities financed by JFICT or JFPR:
- c. Period and duration of assistance(s)
 - Lending:
 - Nonlending: **Up to 18 months intermittently**
 - Activities financed by JFICT or JFPR:

10. Financing Plan (Indicate possible financing sources and amount of assistance, cost estimates, and financing arrangements)

- a. For lending
 - Ordinary capital resources: \${amount}
 - Asian Development Fund: \${amount}

Other: {specify} \${amount}

If cofinancing is required indicate sources, and amount sought:

If known, provide cost estimates and financing arrangements. (e.g., total cost, ADB financing, other financing, and government financing):

b. For nonlending

- No resources required, other than ADB staff
- ADB's administrative budget: \${amount}
- Grant TA funds
- TA Special Fund: **\$500,000**
- Japan Special Fund: \${amount}
- Other (specify, e.g., bilateral and multilateral trust funds): \${amount}

If cofinancing is required indicate sources, and amount sought:

If known, provide cost estimates and financing arrangements. (e.g., total cost, ADB financing, other financing, and government financing):

c. For projects financed by

- JFICT: \${amount}
- JFPR: \${amount}

If cofinancing is required indicate sources, and amount sought:

If known, provide cost estimates and financing arrangements. (e.g., total cost, ADB financing, other financing, and government financing):

ADB = Asian Development Bank, CSP = country strategy and program, JFICT = Japan Fund for Information and Communication Technology, JFPR = Japan Fund for Poverty Reduction, SCSP = subregional cooperation strategy and program, TA = technical assistance.

**Table A5.4: Pilot Rural Anti-Poverty Initiatives Project
CONCEPT PAPER**

Date: 6 May 2002

<p>1. Type/modality of assistance (double-click on appropriate box)</p> <p><input type="checkbox"/> Lending</p> <p> <input type="checkbox"/> Project loan</p> <p> <input type="checkbox"/> Program loan</p> <p> <input type="checkbox"/> Sector loan</p> <p> <input type="checkbox"/> Sector development program loan</p> <p> <input type="checkbox"/> Other: {specify, e.g., loan-financed project preparatory, project implementation, or advisory activities}</p> <p><input checked="" type="checkbox"/> Nonlending</p> <p> <input type="checkbox"/> Project preparatory</p> <p> <input type="checkbox"/> Other than project preparatory</p> <p> <input type="checkbox"/> Economic, thematic, and sector work</p> <p> <input type="checkbox"/> Institutional development</p> <p> <input type="checkbox"/> Other: {specify}</p> <p><input type="checkbox"/> Activities financed by JFICT or JFPR</p>										
<p>2. Assistance Focus</p> <p>a. If assistance focuses on a particular sector or subsector, specify the Sector: Agriculture and Natural Resources Subsector: {insert subsector name}</p> <p>b. For project preparatory and lending, classification {check one}</p> <p><input checked="" type="checkbox"/> Core poverty intervention</p> <p><input type="checkbox"/> Poverty intervention</p> <p>c. Key thematic area(s) {check more than one category, if applicable}</p> <table border="0"> <tr> <td><input type="checkbox"/> Economic growth</td> <td><input type="checkbox"/> Human development</td> </tr> <tr> <td><input checked="" type="checkbox"/> Gender and development</td> <td><input checked="" type="checkbox"/> Good governance</td> </tr> <tr> <td><input type="checkbox"/> Environmental protection</td> <td><input type="checkbox"/> Private sector development</td> </tr> <tr> <td><input type="checkbox"/> Regional cooperation</td> <td><input type="checkbox"/> Social protection</td> </tr> <tr> <td><input type="checkbox"/> Other: {specify}</td> <td></td> </tr> </table>	<input type="checkbox"/> Economic growth	<input type="checkbox"/> Human development	<input checked="" type="checkbox"/> Gender and development	<input checked="" type="checkbox"/> Good governance	<input type="checkbox"/> Environmental protection	<input type="checkbox"/> Private sector development	<input type="checkbox"/> Regional cooperation	<input type="checkbox"/> Social protection	<input type="checkbox"/> Other: {specify}	
<input type="checkbox"/> Economic growth	<input type="checkbox"/> Human development									
<input checked="" type="checkbox"/> Gender and development	<input checked="" type="checkbox"/> Good governance									
<input type="checkbox"/> Environmental protection	<input type="checkbox"/> Private sector development									
<input type="checkbox"/> Regional cooperation	<input type="checkbox"/> Social protection									
<input type="checkbox"/> Other: {specify}										
<p>3. Coverage {click on appropriate box}</p> <p><input checked="" type="checkbox"/> Country <input type="checkbox"/> Subregional <input type="checkbox"/> Interregional</p> <p><input type="checkbox"/> Internal policy development</p>										
<p>4. Responsible division/department: SAAE/SARD</p>										
<p>5. Responsible ADB officer(s): D. Walton</p>										
<p>6. Description of assistance(s)</p> <p>a. Background/linkage to country/regional strategy: In Afghanistan, the rural sector is the basis of the country's economy, with approximately 80 percent of the population dependent upon agriculture and natural resource based activities for their livelihoods. Agriculture production is mostly undertaken on irrigated land, with traditional small and medium-scale irrigation systems accounting for approximately 90 percent of the irrigated land area of 2.6 million hectares. Water use efficiency in these systems has been low, with indicative efficiency estimates of 25 percent. Twenty-five years of conflict has seriously damaged rural physical and social infrastructure, rural support services, and markets. Agricultural productivity has declined because of conflict, drought and mismanaged resources. Rural livelihoods and household assets are devastated. Available indicators show a large majority of the population below the poverty line, living on less than \$1 per day, or suffering from food insecurity and inability to meet the minimum daily requirement of 2100 kilocalories.</p> <p>b. Goal and purpose: To improve community livelihoods and reduce widespread poverty in low food security areas by supporting community-based initiatives to achieve sustainable self-sufficiency in food production. The</p>										

interventions will support: community and local government capacity building; improved infrastructure; increased production; and improved watershed management practices.

c. Components and outputs: The Pilot Rural Poverty Initiatives Project is an 18-month community-driven poverty reduction project that will strengthen support for community development, and empower communities to implement small-scale projects through broad participation in the identification, prioritization, planning and implementation of micro-watershed rehabilitation, initially focusing on traditional, irrigation structures that are badly degraded or inefficient. It is anticipated that targeted sub-projects will be in areas that involve farming systems based on rain fed and irrigated agriculture.

d. Expected results and deliverables: The project will improve livelihoods and reduce poverty in the target areas. The rehabilitated irrigation systems will enable households to sustain improved agricultural productivity and livelihood benefits. The community capacity building will strengthen community organizations in terms of effectively managing and maintaining the systems, and will assist in other areas of community need and planning. The strengthened communities will provide a base to assist in community based micro watershed planning. The capacity building of the MRRD implementation cells at the local level to support and manage the project will provide these units with capacity to coordinate and support related activities. The implementation approach adopted will develop effective links between government, NGOs, the community and private sector agents to support community driven development. The project is a pilot, and the approaches, which are effective and sustainable will be replicated in planned follow-on government and development partner loan programs and projects.

e. Social or environmental issues or concerns:

f. Plans for disseminating results/deliverables: TBD

7. Proposed executing/implementing agencies: The project will be implemented through the Ministry of Rehabilitation and Rural Development (MRRD); provincial offices will serve as a first contact point for communities in accessing project resources. MRRD will establish implementation cells, which will focus on coordination, planning and monitoring through establishment of effective information systems, regular community consultation, and a comprehensive, regional approach to district and provincial development. These implementation cells will oversee the contracting of private sector or NGO surveyors, and community mobilization teams.

8. Nature/extent of government/beneficiary involvement in identifying or conceptualizing the assistance:
{insert text}

(Note: Mention the institutions in government and civil society, including nongovernmental organizations, that have been consulted about the project, and the nature of the consultations.)

9. Timetable for assistance design, processing, and implementation

- a. Year included in CSP, CSP update, SCSP, SCSP update, or interregional work plan: 2002
- b. Expected date of submission for approval
 - Lending:
 - Nonlending (project preparatory):
 - Nonlending (other than project preparatory): **July 2002**
 - Activities financed by JFICT or JFPR:
- c. Period and duration of assistance{s}
 - Lending:
 - Nonlending: **18 months**
 - Activities financed by JFICT or JFPR:

10. Financing Plan (Indicate possible financing sources and amount of assistance, cost estimates, and financing arrangements)

- a. For lending
 - Ordinary capital resources: \${amount}
 - Asian Development Fund: \${amount}
 - Other: {specify} \${amount}

If cofinancing is required indicate sources, and amount sought:

If known, provide cost estimates and financing arrangements. (e.g., total cost, ADB financing, other financing, and

government financing):

b. For nonlending

- No resources required, other than ADB staff
- ADB's administrative budget: \${amount}
- Grant TA funds
 - TA Special Fund: \$
 - Japan Special Fund: \${amount}
 - Other (specify, e.g., bilateral and multilateral trust funds): \$10 million

If cofinancing is required indicate sources, and amount sought:

If known, provide cost estimates and financing arrangements. (e.g., total cost, ADB financing, other financing, and government financing):

c. For projects financed by

- JFICT: \$
- JFPR: \$

If cofinancing is required indicate sources, and amount sought:

If known, provide cost estimates and financing arrangements. (e.g., total cost, ADB financing, other financing, and government financing):

ADB = Asian Development Bank, CSP = country strategy and program, JFICT = Japan Fund for Information and Communication Technology, JFPR = Japan Fund for Poverty Reduction, SCSP = subregional cooperation strategy and program, TA = technical assistance.

**Table A5.5: Pilot Social Protection for Poor through Rural Road Restoration
CONCEPT PAPER**

Date: 6 May 2002

<p>1. Type/modality of assistance (double-click on appropriate box)</p> <p><input type="checkbox"/> Lending</p> <p> <input type="checkbox"/> Project loan</p> <p> <input type="checkbox"/> Program loan</p> <p> <input type="checkbox"/> Sector loan</p> <p> <input type="checkbox"/> Sector development program loan</p> <p> <input type="checkbox"/> Other: {specify, e.g., loan-financed project preparatory, project implementation, or advisory activities}</p> <p><input checked="" type="checkbox"/> Nonlending</p> <p> <input type="checkbox"/> Project preparatory</p> <p> <input type="checkbox"/> Other than project preparatory</p> <p> <input type="checkbox"/> Economic, thematic, and sector work</p> <p> <input type="checkbox"/> Institutional development</p> <p> <input type="checkbox"/> Other: {specify}</p> <p><input type="checkbox"/> Activities financed by JFICT or JFPR</p>										
<p>2. Assistance Focus</p> <p>a. If assistance focuses on a particular sector or subsector, specify the Sector: Transport Subsector: {Roads }</p> <p>b. For project preparatory and lending, classification {check one}</p> <p><input checked="" type="checkbox"/> Core poverty intervention</p> <p><input type="checkbox"/> Poverty intervention</p> <p>c. Key thematic area(s) {check more than one category, if applicable}</p> <table border="0"> <tr> <td><input type="checkbox"/> Economic growth</td> <td><input checked="" type="checkbox"/> Human development</td> </tr> <tr> <td><input type="checkbox"/> Gender and development</td> <td><input type="checkbox"/> Good governance</td> </tr> <tr> <td><input type="checkbox"/> Environmental protection</td> <td><input type="checkbox"/> Private sector development</td> </tr> <tr> <td><input type="checkbox"/> Regional cooperation</td> <td><input checked="" type="checkbox"/> Social protection</td> </tr> <tr> <td><input type="checkbox"/> Other: {specify}</td> <td></td> </tr> </table>	<input type="checkbox"/> Economic growth	<input checked="" type="checkbox"/> Human development	<input type="checkbox"/> Gender and development	<input type="checkbox"/> Good governance	<input type="checkbox"/> Environmental protection	<input type="checkbox"/> Private sector development	<input type="checkbox"/> Regional cooperation	<input checked="" type="checkbox"/> Social protection	<input type="checkbox"/> Other: {specify}	
<input type="checkbox"/> Economic growth	<input checked="" type="checkbox"/> Human development									
<input type="checkbox"/> Gender and development	<input type="checkbox"/> Good governance									
<input type="checkbox"/> Environmental protection	<input type="checkbox"/> Private sector development									
<input type="checkbox"/> Regional cooperation	<input checked="" type="checkbox"/> Social protection									
<input type="checkbox"/> Other: {specify}										
<p>3. Coverage {click on appropriate box}</p> <p><input checked="" type="checkbox"/> Country <input type="checkbox"/> Subregional <input type="checkbox"/> Interregional</p> <p><input type="checkbox"/> Internal policy development</p>										
<p>4. Responsible division/department: SAID/SARD</p>										
<p>5. Responsible ADB officer(s): H. Masood</p>										
<p>6. Description of assistance(s)</p> <p>a. Background/linkage to country/regional strategy: Afghanistan faces the daunting task of reintegrating, settling and providing livelihood to millions of displaced persons, war combatants and rural poor. The recently developed National Development Framework places significant importance on this activity that is also vital for peace and security in the country. Infrastructure development, particularly rural roads offers an excellent employment opportunity for million of unemployed and about 1.5 million refugees and ex-combatants. The community based development and improved access will eventually result in improving the status of social sectors and removing gender discrimination. The restoration of rural roads will provide access to the rural markets and social services, the rural roads also facilitate the humanitarian aid and returning refugees. However, over two decades of conflict and lack of maintenance has rendered the country's roads network of little use. Rural roads have suffered more from the use of heavy military vehicles and changes in road alignment to suit the military purposes. This is exacerbated by damaged structures and presence of mines.</p> <p>b. Goal and purpose: To provide assistance to refugees, internally and externally displaced persons and ex-</p>										

combatants through pilot schemes for restoration of rural roads. The objective is to assist some of the most vulnerable groups in the country in their repatriation, resettlement and reintegration within their communities. The project will rehabilitate and reconstruct the rural roads that provide improved access to rural areas thereby improving rural development, facilitating access to social services, engaging communities in development that will ensure mobilizing and efficient use of local resources. The interventions will support: community and local government capacity building; improved and maintained road infrastructure; improved social services; and sustained employment opportunities for a large section of population.

c. Components and outputs: The Social Protection for Poor through Rural Road Restoration initiative is a 18-month pilot project that involves: restoration of about 700-1,000 km rural roads through labor based technologies that will generate employment opportunities for displaced persons and ex-combatants; and capacity building and skills development to work on rural infrastructure as local community contractors thereby facilitating sustainable means of earning for the rural poor. The labor-based construction methodology will provide large-scale employment opportunities for, aside from local communities, returning refugees and ex-combatants. This poverty reduction initiative will also result in restoring the rural road network through participation of local communities in identification, prioritization, planning and implementation. The project is expected to be implemented all over the country in districts and communities that will be selected based on criteria that will include, among others, support to displaced persons and war combatants and have a incidence of poverty.

d. Expected results and deliverables: The project will provide large-scale employment and will support poverty reduction in the target areas. The rehabilitated/reconstructed rural road network will enable improved agricultural productivity, access to markets and necessary social services thereby contributing to development of the rural sector. The community capacity building will strengthen community organizations in terms of effectively managing and maintaining the rural roads, and will assist in development of other rural infrastructure. The capacity building and employment opportunities will assist in settling millions of returning refugees and re-integration the war combatants. The implementation approach adopted will develop effective links between government, NGOs, the community and private sector agents to support community driven development. The pilot project and its innovative approaches that are effective and sustainable will be expanded for additional financing by the Afghan government or other development partners.

e. Social or environmental issues or concerns:

f. Plans for disseminating results/deliverables: TBD

7. Proposed executing/implementing agencies: The project will be implemented through the Ministry of Rehabilitation and Rural Development (MRRD); provincial offices will serve as a first contact point for communities in accessing project resources. MRRD will establish implementation cells, which will focus on coordination, planning and monitoring through establishment of effective information systems, regular community consultation, and a comprehensive, regional approach to district and provincial development. These implementation cells will oversee the contracting of private sector or NGO surveyors, and community mobilization teams.

8. Nature/extent of government/beneficiary involvement in identifying or conceptualizing the assistance:
{insert text}

(Note: Mention the institutions in government and civil society, including nongovernmental organizations, that have been consulted about the project, and the nature of the consultations.)

9. Timetable for assistance design, processing, and implementation

- a. Year included in CSP, CSP update, SCSP, SCSP update, or interregional work plan: 2002
- b. Expected date of submission for approval
 - Lending:
 - Nonlending (project preparatory): **July 2002**
 - Nonlending (other than project preparatory):
 - Activities financed by JFICT or JFPR:
- c. Period and duration of assistance(s)
 - Lending:
 - Nonlending: **18 months**
 - Activities financed by JFICT or JFPR:

10. Financing Plan (Indicate possible financing sources and amount of assistance, cost estimates, and financing arrangements)

- a. For lending
- Ordinary capital resources: \${amount}
 - Asian Development Fund: \${amount}
 - Other: {specify} \${amount}

If cofinancing is required indicate sources, and amount sought:

If known, provide cost estimates and financing arrangements. (e.g., total cost, ADB financing, other financing, and government financing):

- b. For nonlending
- No resources required, other than ADB staff
 - ADB's administrative budget: \${amount}
 - Grant TA funds
 - TA Special Fund: \$
 - Japan Special Fund: \${amount}
 - Other (specify, e.g., bilateral and multilateral trust funds): \$15 million

If cofinancing is required indicate sources, and amount sought:

If known, provide cost estimates and financing arrangements. (e.g., total cost, ADB financing, other financing, and government financing):

- c. For projects financed by
- JFICT: \$
 - JFPR: \$

If cofinancing is required indicate sources, and amount sought:

If known, provide cost estimates and financing arrangements. (e.g., total cost, ADB financing, other financing, and government financing):

ADB = Asian Development Bank, CSP = country strategy and program, JFICT = Japan Fund for Information and Communication Technology, JFPR = Japan Fund for Poverty Reduction, SCSP = subregional cooperation strategy and program, TA = technical assistance.

**Table A5.6: Pilot School-Community Partnerships for
New Sustainable Gender Sensitive Education
CONCEPT PAPER**

Date: 6 May 2002

<p>1. Type/modality of assistance (double-click on appropriate box)</p> <p><input type="checkbox"/> Lending</p> <p><input type="checkbox"/> Project loan</p> <p><input type="checkbox"/> Program loan</p> <p><input type="checkbox"/> Sector loan</p> <p><input type="checkbox"/> Sector development program loan</p> <p><input type="checkbox"/> Other: {specify, e.g., loan-financed project preparatory, project implementation, or advisory activities}</p> <p><input checked="" type="checkbox"/> Nonlending</p> <p><input type="checkbox"/> Project preparatory</p> <p><input type="checkbox"/> Other than project preparatory</p> <p><input type="checkbox"/> Economic, thematic, and sector work</p> <p><input checked="" type="checkbox"/> Institutional development</p> <p><input type="checkbox"/> Other: {specify}</p> <p><input type="checkbox"/> Activities financed by JFICT or JFPR</p>										
<p>2. Assistance Focus</p> <p>a. If assistance focuses on a particular sector or subsector, specify the Sector: Social Sector Subsector: Education</p> <p>b. For project preparatory and lending, classification {check one}</p> <p><input checked="" type="checkbox"/> Core poverty intervention</p> <p><input type="checkbox"/> Poverty intervention</p> <p>c. Key thematic area(s) {check more than one category, if applicable}</p> <table border="0"> <tr> <td><input checked="" type="checkbox"/> Economic growth</td> <td><input type="checkbox"/> Human development</td> </tr> <tr> <td><input type="checkbox"/> Gender and development</td> <td><input type="checkbox"/> Good governance</td> </tr> <tr> <td><input type="checkbox"/> Environmental protection</td> <td><input type="checkbox"/> Private sector development</td> </tr> <tr> <td><input type="checkbox"/> Regional cooperation</td> <td><input type="checkbox"/> Social protection</td> </tr> <tr> <td><input type="checkbox"/> Other: {specify}</td> <td></td> </tr> </table>	<input checked="" type="checkbox"/> Economic growth	<input type="checkbox"/> Human development	<input type="checkbox"/> Gender and development	<input type="checkbox"/> Good governance	<input type="checkbox"/> Environmental protection	<input type="checkbox"/> Private sector development	<input type="checkbox"/> Regional cooperation	<input type="checkbox"/> Social protection	<input type="checkbox"/> Other: {specify}	
<input checked="" type="checkbox"/> Economic growth	<input type="checkbox"/> Human development									
<input type="checkbox"/> Gender and development	<input type="checkbox"/> Good governance									
<input type="checkbox"/> Environmental protection	<input type="checkbox"/> Private sector development									
<input type="checkbox"/> Regional cooperation	<input type="checkbox"/> Social protection									
<input type="checkbox"/> Other: {specify}										
<p>3. Coverage {click on appropriate box}</p> <p><input checked="" type="checkbox"/> Country <input type="checkbox"/> Subregional <input type="checkbox"/> Interregional</p> <p><input type="checkbox"/> Internal policy development</p>										
<p>4. Responsible division/department: SASS/SARD</p>										
<p>5. Responsible ADB officer(s): J. Sarvi</p>										
<p>6. Description of assistance(s)</p> <p>a. Background/linkage to country/regional strategy: All segments of the education sector require major investments in physical facilities, materials, and human resources as well as student participants. In addition, the current gaps in gender coverage and representation, and marked disparities in rural/urban and geographical coverage, need to be addressed. Enrollment ratios are low at all levels, and dropout rates are high. There is a severe shortage of teachers and facilities. The difficulty of the situation is already apparent as students have returned to school including overage boys and girls who have never attended school. Most parents cannot afford to send their children to school because of the out-of-pocket expenses for clothing, textbooks, materials, transport, etc. The United Nations has relieved the burden this year by providing school kits to each student. Also, children cannot concentrate on studies and school tasks, nor can they be retained in schools, because of food and nutrition deficiency. As in the health sector, NGOs and private informal efforts kept schooling alive for many children, especially girls, outside of the formal government system during the Taliban regime. ADB's first priority in the social sector will be the rehabilitation of the education system, which is now in a state of virtual collapse. ADB's immediate focus will be on the rebuilding of</p>										

basic education including nonformal education. The short-term strategy of ADB is to get children, both boys and girls, back to school and retain them in schools by providing support for rehabilitation of buildings and learning space; provision of furniture, equipment, textbooks, and materials; school feeding; hostels; scholarships; and teacher recruitment and training. Over the medium term, ADB strategy will focus on girls and women's education, preschool education, nonformal education, and teacher training—quality upgrading as well as buildings, facilities, equipment, and materials.

b. Goal and purpose: The Project would support community managed basic education systems, including physical reconstruction of schools and provision of educational equipment, gender sensitive and postconflict relevant teaching and learning techniques, capacity building for sustainable school management (including maintenance) at the local and district level, as well as special provisions to encourage the participation of poor girls in education (scholarships of girls).

c. Components and outputs: A “whole school development” approach will be applied, including physical school construction or rehabilitation of primary schools, provision of equipment and essential teaching/learning materials, as well as basic training of teachers, and school management plan through community participation.

d. Expected results and deliverables: School participation of boys and girls will increase and there will be greater community participation in educational development and school maintenance.

e. Social or environmental issues or concerns: The Project will have direct impact on poverty and equality of life by improving new sustainable gender sensitive education.

f. Plans for disseminating results/deliverables: Dissemination workshops in Kabul and other selective provinces (if the security condition improves) at the end of the program.

7. Proposed executing/implementing agencies: The Ministry of Finance (MOF) will be the executing agency. The Ministry of Education will be the implementing agency. Joint Government-community-NGO approach will be emphasized for implementation of reconstruction as well as for strengthening sustainability of the education development and school maintenance.

8. Nature/extent of government/beneficiary involvement in identifying or conceptualizing the assistance:

Active involvement of stakeholders will be achieved through direct consultation and national and regional workshops at the design inception, implementation, monitoring and evaluation stages. In order to gain from broad-based consultation, National Workshops will coincide with semiannual meetings. A high degree of ownership will require measures to strengthen the skills of stakeholders. The international consultants involved in all Sub-TAs of the Cluster TA would be required to have strong capabilities in organizing and moderating participatory processes in addition to his/her technical skills. The participatory process as well as the progress of implementation will be closely monitored by AACA for all components. Resources are provided to support monitoring and evaluation at the level of AACA. An external independent body will carry out evaluation. Views and direct participation of the civil society will be sought for all relevant activities at different stages of design and implementation. The Project will advocate for community planning approach. Hence, emphasis will be placed on the role of Village development Committees (VDCs) in education development, instead of more narrow and conventional Parent-Teacher-Association (PTA) approach. The Project will promote a partnership between the Government and major international NGOs with vast experience in education in Afghanistan. The Government-NGO partnership will invite proposals from community based NGOs addressing development of primary education.

(Note: Mention the institutions in government and civil society, including nongovernmental organizations, that have been consulted about the project, and the nature of the consultations.)

9. Timetable for assistance design, processing, and implementation

- a. Year included in CSP, CSP update, SCSP, SCSP update, or interregional work plan: 2002
- b. Expected date of submission for approval
 - Lending:
 - Nonlending (project preparatory):
 - Nonlending (other than project preparatory): **July 2002**
 - Activities financed by JFICT or JFPR:
- c. Period and duration of assistance(s)

Lending:
 Nonlending: **18 months**
 Activities financed by JFICT or JFPR:

10. Financing Plan (Indicate possible financing sources and amount of assistance, cost estimates, and financing arrangements)

- a. For lending
- Ordinary capital resources: \${amount}
 - Asian Development Fund: \$
 - Other: {specify} \${amount}

If cofinancing is required indicate sources, and amount sought:

If known, provide cost estimates and financing arrangements. (e.g., total cost, ADB financing, other financing, and government financing):

- b. For nonlending
- No resources required, other than ADB staff
 - ADB's administrative budget: \${amount}
 - Grant TA funds
 - TA Special Fund: \$
 - Japan Special Fund: \$
 - Other (specify, e.g., bilateral and multilateral trust funds): \$7.0 million

If cofinancing is required indicate sources, and amount sought:

If known, provide cost estimates and financing arrangements. (e.g., total cost, ADB financing, other financing, and government financing):

- c. For projects financed by
- JFICT: \$
 - JFPR: \$

If cofinancing is required indicate sources, and amount sought:

If known, provide cost estimates and financing arrangements. (e.g., total cost, ADB financing, other financing, and government financing):

ADB = Asian Development Bank, CSP = country strategy and program, JFICT = Japan Fund for Information and Communication Technology, JFPR = Japan Fund for Poverty Reduction, SCSP = subregional cooperation strategy and program, TA = technical assistance.

**Table A5.7: Pilot Primary Health Care Partnership
CONCEPT PAPER**

Date: 6 May 2002

<p>1. Type/modality of assistance (double-click on appropriate box)</p> <p><input type="checkbox"/> Lending</p> <p> <input type="checkbox"/> Project loan</p> <p> <input type="checkbox"/> Program loan</p> <p> <input type="checkbox"/> Sector loan</p> <p> <input type="checkbox"/> Sector development program loan</p> <p> <input type="checkbox"/> Other: {specify, e.g., loan-financed project preparatory, project implementation, or advisory activities}</p> <p><input checked="" type="checkbox"/> Nonlending</p> <p> <input type="checkbox"/> Project preparatory</p> <p> <input type="checkbox"/> Other than project preparatory</p> <p> <input type="checkbox"/> Economic, thematic, and sector work</p> <p> <input checked="" type="checkbox"/> Institutional development</p> <p> <input type="checkbox"/> Other: {specify}</p> <p><input type="checkbox"/> Activities financed by JFICT or JFPR</p>										
<p>2. Assistance Focus</p> <p>a. If assistance focuses on a particular sector or subsector, specify the Sector: Social Sector Subsector: Health</p> <p>b. For project preparatory and lending, classification {check one}</p> <p><input checked="" type="checkbox"/> Core poverty intervention</p> <p><input type="checkbox"/> Poverty intervention</p> <p>c. Key thematic area(s) {check more than one category, if applicable}</p> <table border="0"> <tr> <td><input checked="" type="checkbox"/> Economic growth</td> <td><input type="checkbox"/> Human development</td> </tr> <tr> <td><input type="checkbox"/> Gender and development</td> <td><input type="checkbox"/> Good governance</td> </tr> <tr> <td><input type="checkbox"/> Environmental protection</td> <td><input type="checkbox"/> Private sector development</td> </tr> <tr> <td><input type="checkbox"/> Regional cooperation</td> <td><input type="checkbox"/> Social protection</td> </tr> <tr> <td><input type="checkbox"/> Other: {specify}</td> <td></td> </tr> </table>	<input checked="" type="checkbox"/> Economic growth	<input type="checkbox"/> Human development	<input type="checkbox"/> Gender and development	<input type="checkbox"/> Good governance	<input type="checkbox"/> Environmental protection	<input type="checkbox"/> Private sector development	<input type="checkbox"/> Regional cooperation	<input type="checkbox"/> Social protection	<input type="checkbox"/> Other: {specify}	
<input checked="" type="checkbox"/> Economic growth	<input type="checkbox"/> Human development									
<input type="checkbox"/> Gender and development	<input type="checkbox"/> Good governance									
<input type="checkbox"/> Environmental protection	<input type="checkbox"/> Private sector development									
<input type="checkbox"/> Regional cooperation	<input type="checkbox"/> Social protection									
<input type="checkbox"/> Other: {specify}										
<p>3. Coverage {click on appropriate box}</p> <p><input checked="" type="checkbox"/> Country <input type="checkbox"/> Subregional <input type="checkbox"/> Interregional</p> <p><input type="checkbox"/> Internal policy development</p>										
<p>4. Responsible division/department: SASS/SARD</p>										
<p>5. Responsible ADB officer(s): V. de Wit</p>										
<p>6. Description of assistance(s)</p> <p>a. Background/linkage to country/regional strategy: The population lives in extreme poverty following 23 years of war. People's assets have vanished. Children are being sold for food. Most people have less than \$1 per day. The population has the worst health and nutrition status of all countries in Asia. Fertility rates are high despite food shortage and demand for birth spacing methods. The health system needs to be rebuilt from scratch. A large part of the population does not have access to any form of modern health care. The capacity of the Ministry of Public Health (MoPH) needs to be rebuilt. Existing health services are mostly supported by NGOs but in a fragmented and selective manner with limited involvement of communities. MoPH recognizes that this difficult situation also offers opportunity to develop a modern health system based on community based primary health care (PHC) through partnership of MoPH and NGOs. It needs to be community-based in view of the fragile political and economic situation. MoPH's role would be as purchaser of health services in areas where it can not provide these itself. This partnership, the potential roles of communities, use of community health workers, and supply and financing of essential drugs needs to be pilot tested. MoPH and donors are planning to replicate this model throughout Afghanistan. Grant financing is required because MoPH currently does not have even small funds for pilot testing and</p>										

loan funds can not be made available now. However, MoPH would like to start pilot testing this approach as soon as possible in view of the dire need and to gain experience before going upscale with loan assistance. The Counterpart Project is expected to start after a two-year pilot period in 2004.

b. Goal and purpose: The pilot project will develop community-based PHC in rural communities currently not having access to regular Government or NGO services as a pilot test for possible large scale replication, with the aim of reducing maternal and infant mortality, prevalence of common diseases, malnutrition, and fertility. It is expected that infant mortality and child malnutrition can be reduced by about 20 percent in the targeted communities over a three year period, and that immunization and contraceptive prevalence can be doubled in that period. The pilot is expected to benefit about 200,000 people in about 50 rural communities.

c. Components and outputs: The Project will follow a comprehensive approach of community-based PHC including community organization for PHC, community-based planning and management of services, training of community health workers, a package of basic interventions (including health education, nutrition, management of common illnesses, nutrition and birth spacing), drug kit supply, revolving drug fund, and improvement in health facility, water supply and sanitation where appropriate. Community base-line and end-of-project survey will assess impact of the Project. The components are as follows: (i) MoPH support for project administration, contracting NGOs, NGO training and supervision, and monitoring and evaluation; (ii) NGO support for community organization, community health worker training, women education through listening groups using radio; (iii) basic package of services provided through female and male CHWs including counseling of women and youth, immunization advice, nutrition, reproductive health, and treatment of common infections and minor ailments; (iv) community-managed revolving fund for essential drugs and referral services; and (vi) improvement or provision of small health center, water supply and model pit latrines at schools nearby as appropriate.

d. Expected results and deliverables: Communities will become more healthy and productive, and reduce expenditure on precious household resources on hospital services. Overall productivity will increase. Reduced fertility will increase per capita income. On completion of the pilot project, communities will be responsible for most recurrent costs of services, with the Government mainly supporting development costs. Baseline and end-of-project surveys will be done to assess project impact. This will include poverty and gender indicators to assess the impact on the poor and women. The contracted NGOs will also undertake community-based in depth studies to determine how to sustain services.

e. Social or environmental issues or concerns: The Project will have direct impact on poverty and equality of life of the rural population by deducing maternal and infant mortality, prevalence of common diseases, malnutrition, and fertility through provision of (i) community based planning and management; (ii) training of community health workers; (iii) package of basic equipment and drugs; (iv) improvement of drinking water and sanitation facilities; and (v) community monitoring to assess the immediate poverty impact of the project.

f. Plans for disseminating results/deliverables: Dissemination workshops in Kabul and other selective provinces (if the security condition improves) at the end of the program.

7. Proposed executing/implementing agencies: The Ministry of Finance (MOF) will be the executing agency. The Ministry of Public Health will be the implementing agency. MoPH will have a project implementation unit, which will be expanded for replication of pilot activities. Implementation will be done through 2-3 contracted NGOs, one per region. The Executing Agency is responsible for oversight; contracting, preparation and supervision of NGOs; and evaluating impact. The implementing NGOs will be responsible for working with the communities to help them prepare a plan, train staff and people, provide supplies, equipment and infrastructure, and develop and monitor services. Close coordination is being arranged with other donors including Japan. The Project will be implemented in partnership with several NGOs contracted by MoPH.

8. Nature/extent of government/beneficiary involvement in identifying or conceptualizing the assistance:

Active involvement of stakeholders will be achieved through direct consultation and national and regional workshops at the design inception, implementation, monitoring and evaluation stages. In order to gain from broad-based consultation, National Workshops will coincide with semiannual meetings. A high degree of ownership will require measures to strengthen the skills of stakeholders. The international consultants involved in all Sub-TAs of the Cluster TA would be required to have strong capabilities in organizing and moderating participatory processes in addition to his/her technical skills. The participatory process as well as the progress of implementation will be closely monitored by AACA for all components. Resources are provided to support monitoring and evaluation at the level of AACA. An external independent body will carry out evaluation. Views and direct participation of the civil society will be sought for all relevant activities at different stages of design and implementation. The partnership approach is based on the concept of community-managed health care supported by NGOs that are contracted by the Government to provide

services for the poor. Communities will be involved in design, selection of staff, construction of the health facility, provision of services and monitoring of outcome.

(Note: Mention the institutions in government and civil society, including nongovernmental organizations, that have been consulted about the project, and the nature of the consultations.)

9. Timetable for assistance design, processing, and implementation

- a. Year included in CSP, CSP update, SCSP, SCSP update, or interregional work plan: 2002
- b. Expected date of submission for approval
 - Lending:
 - Nonlending (project preparatory):
 - Nonlending (other than project preparatory): **July 2002**
 - Activities financed by JFICT or JFPR:
- c. Period and duration of assistance(s)
 - Lending:
 - Nonlending: **18 months**
 - Activities financed by JFICT or JFPR:

10. Financing Plan (Indicate possible financing sources and amount of assistance, cost estimates, and financing arrangements)

- a. For lending
 - Ordinary capital resources: \${amount}
 - Asian Development Fund: \$
 - Other: {specify} \${amount}

If cofinancing is required indicate sources, and amount sought:

If known, provide cost estimates and financing arrangements. (e.g., total cost, ADB financing, other financing, and government financing):

- b. For nonlending
 - No resources required, other than ADB staff
 - ADB's administrative budget: \${amount}
 - Grant TA funds
 - TA Special Fund: \$
 - Japan Special Fund: \$
 - Other (specify, e.g., bilateral and multilateral trust funds): \$3.0 million

If cofinancing is required indicate sources, and amount sought:

If known, provide cost estimates and financing arrangements. (e.g., total cost, ADB financing, other financing, and government financing):

- c. For projects financed by
 - JFICT: \$
 - JFPR: \$

If cofinancing is required indicate sources, and amount sought:

If known, provide cost estimates and financing arrangements. (e.g., total cost, ADB financing, other financing, and government financing):

ADB = Asian Development Bank, CSP = country strategy and program, JFICT = Japan Fund for Information and Communication Technology, JFPR = Japan Fund for Poverty Reduction, SCSP = subregional cooperation strategy and program, TA = technical assistance.