

CONCEPT PAPERS FOR NONLENDING PRODUCTS AND SERVICES

This appendix contains the concept papers for projected nonlending products:

- (i) Table A3.1: Kabul Air Quality Management
- (ii) Table A3.2: Capacity Building for Land Policy and Administration Reform
- (iii) Table A3.3: Natural Resources Management and Environment Protection
- (iv) Table A3.4: Balkh River Basin Integrated Water Resources Management Project
- (v) Table A3.5: Capacity Building for Impact Monitoring and Evaluation
- (vi) Table A3.6: Capacity Development for Irrigation and Water Resources Management
- (vii) Table A3.7: Poverty Reduction and Rural Renewable Energy Development
- (viii) Table A3.8: Support for Establishing a Gas Regulatory Framework
- (ix) Table A3.9: Promoting International Trade and Cross-Border Trade Facilitation
- (x) Table A3.10: Security of ADB-Financed Projects in Afghanistan
- (xi) Table A3.11: Capacity Building of the Ministry of Finance
- (xii) Table A3.12: Master Plan for Road Network Improvement Phase I
- (xiii) Table A3.13: Improving Agriculture and Natural Resource Management and Planning
- (xiv) Table A3.14: Institutional Strengthening of Ministry of Water and Power
- (xv) Table A3.15: Feasibility Study to Develop and Rehabilitate Gas Producing Wells and Repair Gas Pipelines
- (xvi) Table A3.16: Private Investment Support Facility
- (xvii) Table A3.17: Poverty Assessment of the Islamic Republic of Afghanistan
- (xviii) Table A3.18: Gender Assessment of the Islamic Republic of Afghanistan
- (xix) Table A3.19: Capacity Building for Road Sector Institutions
- (xx) Table A3.20: Institutional Strengthening of Ministry of the Civil Aviation and Tourism
- (xxi) Table A3.21: Andkhoy Water Supply Project

**Table A3.1: Kabul Air Quality Management
Concept Paper**

Date: 5 May 2004

<p>1. Type/modality of assistance</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:</p> <p><input checked="" type="checkbox"/> Nonlending</p> <p> <input type="checkbox"/> Project preparatory</p> <p> <input checked="" type="checkbox"/> Other than project preparatory</p> <p> <input checked="" type="checkbox"/> Economic, thematic, and sector work</p> <p> <input type="checkbox"/> Institutional development</p> <p> <input type="checkbox"/> Other:</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: Environment and biodiversity</p> <p>b. For project preparatory and lending, classification</p> <p> <input type="checkbox"/> Core poverty intervention</p> <p> <input type="checkbox"/> Poverty intervention</p> <p> <input type="checkbox"/> Other</p> <p>c. Key thematic area</p> <table border="0"> <tr> <td><input type="checkbox"/> Sustainable economic growth</td> <td><input checked="" type="checkbox"/> Environmental sustainability</td> </tr> <tr> <td><input type="checkbox"/> Inclusive social development</td> <td><input type="checkbox"/> Regional cooperation</td> </tr> <tr> <td><input type="checkbox"/> Governance</td> <td><input type="checkbox"/> Private sector development</td> </tr> <tr> <td><input type="checkbox"/> Gender and development</td> <td></td> </tr> </table>	<input type="checkbox"/> Sustainable economic growth	<input checked="" type="checkbox"/> Environmental sustainability	<input type="checkbox"/> Inclusive social development	<input type="checkbox"/> Regional cooperation	<input type="checkbox"/> Governance	<input type="checkbox"/> Private sector development	<input type="checkbox"/> Gender and development	
<input type="checkbox"/> Sustainable economic growth	<input checked="" type="checkbox"/> Environmental sustainability							
<input type="checkbox"/> Inclusive social development	<input type="checkbox"/> Regional cooperation							
<input type="checkbox"/> Governance	<input type="checkbox"/> Private sector development							
<input type="checkbox"/> Gender and development								
<p>3. Coverage</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: Afghanistan Resident Mission / South Asia Department</p>								
<p>5. Responsible ADB officer: Ali Azimi</p>								
<p>6. Description of assistance</p> <p>a. Background/linkage to country/regional strategy: On 30 May 2002, the ADB Board approved the technical assistance cluster (TAC) to Afghanistan for Capacity Building for Reconstruction and Development for \$14.5 million. Subcluster 1 supports three component TAs including establishing environmental management capacity in the Ministry of Irrigation, Water Resources, and Environment (MIWRE). The total cost of the captioned TA was estimated at \$300,000. MIWRE is keen to be perceived as an institution that serves the populace by addressing pollution issues. The challenge is to manage the growth of motorized transport so as to maximize its benefit while minimizing its adverse impacts on the environment and on society.</p> <p>Air pollution is increasing in Kabul, largely from vehicular emissions. Air pollution is an important public health problem. Epidemiological studies show that air pollution in developing countries accounts for tens of thousands of excess deaths and billions of dollars in medical costs and lost productivity every year. These losses and the</p>								

associated degradation in quality of life impose a significant burden on people in all sectors of society, but especially on the poor. The Government of Afghanistan (GOA) has set as its central goal the reestablishment of central government legitimacy to facilitate economic, political, and social affairs and establish the rule of law. The protection of the populace from pollution is fully consistent with this endeavor and the GOA requested ADB's assistance to address the burgeoning air pollution issue. Assistance to the environment is in line with the Initial Country Strategy and Program for Afghanistan.

b. Goal and purpose: The objective of the project would be to improve air quality in Kabul by (i) technical measures involving vehicles and fuels, (ii) establishing an air quality management system, and (iii) transport demand management and market incentives.

c. Components and outputs: The project will have six components:

- (i) development and enforcement of emission standards
- (ii) establishment of continual air quality monitoring system
- (iii) improvement of diesel quality
- (iv) establishment of a system for inspection and maintenance of vehicles
- (v) reduction in the sulfur content of heavy fuel oil and
- (vi) awareness raising.

d. Expected results and deliverables: Improved air quality in Kabul

e. Social or environmental issues or concerns: None

f. Plans for disseminating results/deliverables: A workshop will be organized to disseminate the TA findings and plan the next steps.

7. Proposed executing/implementing agency or agencies: MIWRE

8. Nature/extent of government/beneficiary involvement in identifying or conceptualizing the assistance:
The project was discussed with the senior staff of MIWRE and the Municipality of Kabul.

9. Timetable for assistance design, processing, and implementation

- a. Year included in CSP, CSP Update, RCSP, RCSP Update, or interregional work plan: 2003
- b. Expected date of submission for approval
 - Lending:
 - Nonlending (project preparatory): 2003
 - Nonlending (other than project preparatory):
- c. Period and duration of assistance
 - Lending:
 - Nonlending: March-May 2005 (14 months)

10. Financing Plan

- a. For lending
 - Ordinary capital resources:
 - Asian Development Fund:
 - Other:

If cofinancing is required, indicate amount and sources sought: \$ _____, from _____.

If known, provide cost estimates and financing arrangements.

Source	Amount (\$)
ADB Financing	
Government Financing	
Other Financing	
Total Cost	
Source:	

- b. For nonlending
- No resources required, other than ADB staff
 - ADB's administrative budget:
 - Grant TA funds
 - Other: To be determined

If cofinancing is required, indicate amount and sources sought: \$ _____, from _____.
 If known, provide cost estimates and financing arrangements.

Source	Amount (\$)
ADB Financing	
Government Financing	
Other Financing	450,000
Total Cost	450,000

Source:

ADB = Asian Development Bank, CSP = country strategy and program, RCSP = regional cooperation strategy and program, TA = technical assistance.

**Table A3.2: Capacity Building for Land Policy and Administration Reform
Concept Paper**

Date: 31 May 2004

<p>1. Type/modality of assistance</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:</p> <p><input checked="" type="checkbox"/> Nonlending</p> <p> <input type="checkbox"/> Project preparatory</p> <p> <input checked="" type="checkbox"/> Other than project preparatory</p> <p> <input checked="" type="checkbox"/> Economic, thematic, and sector work</p> <p> <input checked="" type="checkbox"/> Institutional development</p> <p> <input type="checkbox"/> Other:</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: Environment and biodiversity</p> <p>b. For project preparatory and lending, classification</p> <p> <input type="checkbox"/> Core poverty intervention</p> <p> <input type="checkbox"/> Poverty intervention</p> <p> <input type="checkbox"/> Other</p> <p>c. Key thematic area(s)</p> <table border="0"> <tr> <td><input type="checkbox"/> Sustainable economic growth</td> <td><input type="checkbox"/> Environmental sustainability</td> </tr> <tr> <td><input type="checkbox"/> Inclusive social development</td> <td><input type="checkbox"/> Regional cooperation</td> </tr> <tr> <td><input type="checkbox"/> Governance</td> <td><input type="checkbox"/> Private sector development</td> </tr> <tr> <td><input type="checkbox"/> Gender and development</td> <td></td> </tr> </table>	<input type="checkbox"/> Sustainable economic growth	<input type="checkbox"/> Environmental sustainability	<input type="checkbox"/> Inclusive social development	<input type="checkbox"/> Regional cooperation	<input type="checkbox"/> Governance	<input type="checkbox"/> Private sector development	<input type="checkbox"/> Gender and development	
<input type="checkbox"/> Sustainable economic growth	<input type="checkbox"/> Environmental sustainability							
<input type="checkbox"/> Inclusive social development	<input type="checkbox"/> Regional cooperation							
<input type="checkbox"/> Governance	<input type="checkbox"/> Private sector development							
<input type="checkbox"/> Gender and development								
<p>3. Coverage</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: Agriculture, Environment and Natural Resources Division / South Asia Department</p>								
<p>5. Responsible ADB officer: Paul Heytens</p>								
<p>6. Description of assistance</p> <p>a. Background/linkage to country/regional strategy: While policy intentions have been discernible both through the terms of state law and, more generally, in the tenure-related strategies that have been adopted over the years, no formal land policy has ever been proclaimed in Afghanistan. This gap has resulted in a deeply unequal and often unjust system of landownership relations among tribes, between agricultural and pastoral systems, and among feudally arranged segments of society. These problems have been compounded by violence, insecurity, anarchy, and land seizure. While effective implementation might still be years away given the security situation in the countryside, it is nevertheless essential that the Government begin formulating a more explicit and comprehensive strategy and policy to tackle landownership and tenure issues. In devising such a strategy and policy, consideration must be given to equity and achieving a fair distribution of arable land, given the importance of farming to rural livelihoods and income generation. It will also be important that the land rights, interests, and needs of rural women be given special attention in this process.</p>								

Against this background, work has been initiated under the ADB-supported Agriculture Sector Program to develop a comprehensive national land policy and titling system through which land-use efficiency and equity will be improved. To this end, a high-level commission has been appointed and is initiating work on formulating a land policy that encourages private investment and protects the rights of the poor. A draft policy will be submitted to the Cabinet and a public consultation process initiated on the policy by the end of the program period (September 2005). An interministry working group comprising key government agencies has also initiated studies on the institutional framework for a land titling system and the requirements for a land database. Once this is completed, appropriate strategies and time-bound action plans will be developed.

b. Goal and purpose: The goal of the TA is to assist the Government in creating a policy and institutional framework for land administration that is fair, efficient, and sustainable. As such, the purpose is to help the Government put in place a system that will (i) increase tenure security for farmers and other landholders, (ii) facilitate efficient land transactions and administration, and (iii) provide farmers and other landholders with greater control over land management through a full range of market choices.

c. Components and outputs: Specific outputs from the TA will be a comprehensive land policy that will be submitted to the Cabinet and time-bound action plans to establish an appropriate land titling system and land database (i.e., a system that includes adequate environmental and social safeguards).

d. Expected results and deliverables: With the appointment of a high-level commission to oversee preparation of a comprehensive land policy, and the appointment of an interministry working group to initiate studies on an appropriate framework for land titling and administration, the Government has sought assistance to bring international best practice to bear in these areas. Land tenure problems arise in many countries and there is much to be learned from their experiences in reform and institution building. Issues of particular concern to Afghanistan include how customary and statutory land tenure regimes have been integrated; how an inexpensive, decentralized, and sustainable land tenure administration can be established; how appropriate environmental and social safeguards can be incorporated; and what is the proper role of the state in land administration and landownership. Through this process, the TA will seek to build capacity within the relevant government ministries to efficiently and equitably manage Afghanistan's land resources.

e. Social or environmental issues or concerns: No clear regime for managing land rights exists and by default many management functions have fallen to the courts, which also handle the bulk of land disputes. With instability and coercion by warlords over the past decade, land rights management and dispute resolution have lost credibility in many areas. Most rural Afghans regulate their landownership relations customarily, without using officials or courts. Customary management offers a strong foundation, but strongly favors wealthier elites, men, and dominant ethnic groups. Specific beneficiaries of the TA-supported activities are expected to include the rural poor, small and marginal farmers, nomadic pastoralists and other livestock herders, returning refugees, internally displaced persons, and demobilized combatants.

f. Plans for disseminating results/deliverables: The TA will support the design and initiation of a public consultation process for the draft land policy.

7. Proposed executing/implementing agency or agencies: A high-level commission has been appointed to develop the comprehensive land policy. The commission, which comprises the Ministry of Agriculture and Animal Husbandry (MAAH) (chair); Ministry of Finance; Ministry of Mines and Industry; Ministry of Rural Rehabilitation and Development; Ministry of Irrigation, Water Resources, and Environment; and the Department of Cadastral Survey under the Office of the President will be charged with the task of developing the draft land policy for submission to Cabinet. In parallel, an interministry working group has also been appointed and has initiated studies to identify an appropriate institutional framework for land administration. Given their importance, the Directorate of Land in MAAH and the Department of Cadastral Survey under the Office of the President together with all the relevant ministries will work jointly on these endeavors.

8. Nature/extent of government/beneficiary involvement in identifying or conceptualizing the assistance: In preparing the Agriculture Sector Program, to which this TA is attached, extensive consultation was carried out with Government counterparts in all the relevant ministries, and maximum effort was made to reflect the special circumstances of Afghanistan so as to ensure a practical and realistic reform program. The leadership of the core sector institutions represents a range of political factions and interest groups, and as such there is broad ownership of the program's reform agenda. A separate consultation with key nongovernment organizations (NGOs) was also conducted to harmonize understanding on the critical issues confronting agricultural development and natural resource management in Afghanistan. The discussions with the NGO community gave an important validation of the scope and content of the reform program, given the NGOs long and extensive experience in implementing rural development activities throughout the country.

9. Timetable for assistance design, processing, and implementation

- a. Year included in CSP, CSP Update, RCSP, RCSP Update, or interregional work plan: CSPU 2004
- b. Expected date of submission for approval
 - Lending: June 2004
 - Nonlending (project preparatory):
 - Nonlending (other than project preparatory):
- c. Period and duration of assistance
 - Lending: 12-14 months
 - Nonlending:

10. Financing Plan

- a. For lending
 - Ordinary capital resources:
 - Asian Development Fund:
 - Other:

If cofinancing is required, indicate amount and sources sought: \$____, from _____.
 If known, provide cost estimates and financing arrangements.

Source	Amount (\$)
ADB Financing	
Government Financing	
Other Financing	
Total Cost	

Source:

- b. For nonlending
 - No resources required, other than ADB staff
 - ADB's administrative budget:
 - Grant TA funds: TASF
 - Other: DFID

If cofinancing is required, indicate amount and sources sought: \$600,000, from Department for International Development (UK).
 If known, provide cost estimates and financing arrangements.

Source	Amount (\$)
ADB Financing	250,000
Government Financing	
Other Financing	600,000
Total Cost	850,000

Source:

ADB = Asian Development Bank, CSP = country strategy and program, CSPU = country strategy and program update, RCSP = regional cooperation strategy and program, TA = technical assistance, TASF = technical assistance special fund.

**Table A3.3: Natural Resources Management and Environment Protection
Concept Paper**

Date: 5 May 2004

<p>1. Type/modality of assistance</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:</p> <p><input type="checkbox"/> Nonlending</p> <p> <input type="checkbox"/> Project preparatory</p> <p> <input checked="" type="checkbox"/> Other than project preparatory</p> <p> <input checked="" type="checkbox"/> Economic, thematic, and sector work</p> <p> <input type="checkbox"/> Institutional development</p> <p> <input type="checkbox"/> Other:</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: Environment and Biodiversity</p> <p>b. For project preparatory and lending, classification</p> <p> <input type="checkbox"/> Core poverty intervention</p> <p> <input type="checkbox"/> Poverty intervention</p> <p> <input type="checkbox"/> Other</p> <p>c. Key thematic areas</p> <table border="0"> <tr> <td><input checked="" type="checkbox"/> Sustainable economic growth</td> <td><input checked="" type="checkbox"/> Environmental sustainability</td> </tr> <tr> <td><input checked="" type="checkbox"/> Inclusive social development</td> <td><input type="checkbox"/> Regional cooperation</td> </tr> <tr> <td><input type="checkbox"/> Governance</td> <td><input type="checkbox"/> Private sector development</td> </tr> <tr> <td><input checked="" type="checkbox"/> Gender and development</td> <td></td> </tr> </table>	<input checked="" type="checkbox"/> Sustainable economic growth	<input checked="" type="checkbox"/> Environmental sustainability	<input checked="" type="checkbox"/> Inclusive social development	<input type="checkbox"/> Regional cooperation	<input type="checkbox"/> Governance	<input type="checkbox"/> Private sector development	<input checked="" type="checkbox"/> Gender and development	
<input checked="" type="checkbox"/> Sustainable economic growth	<input checked="" type="checkbox"/> Environmental sustainability							
<input checked="" type="checkbox"/> Inclusive social development	<input type="checkbox"/> Regional cooperation							
<input type="checkbox"/> Governance	<input type="checkbox"/> Private sector development							
<input checked="" type="checkbox"/> Gender and development								
<p>3. Coverage</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: Afghanistan Resident Mission/South Asia Department</p>								
<p>5. Responsible ADB officer: Ali Azimi</p>								
<p>6. Description of assistance(s)</p> <p>a. Background/linkage to country/regional strategy: Afghanistan's populace is dependent on its natural resources for economic and social welfare. Local communities located within nature reserves and their buffer zones are highly dependent on the natural environment to sustain and enhance their livelihoods. These resources have been severely degraded as a consequence of war and political instability and have consequently had a severe impact on livelihoods of the poor. Protecting natural resources is essential for their food security and sustainable development. The war has diverted the attention of government agencies away from conservation; as a result, the country's natural resource base has significantly deteriorated (soil runoff, flooding, loss of rangelands, forests and wildlife).</p> <p>The proposed TA project will reduce the extensive poverty prevalent among some of the remotest communities in the country residing in and adjacent to key protected areas of Pamirs and Bande-Amir through a set of activities to promote socioeconomic stability among the rural poor, while conserving the natural</p>								

ecosystems and wildlife resources. The parks are scheduled to be designated as World Heritage sites by United Nations Educational, Scientific and Cultural Organization. No poverty assessment for Afghanistan has been prepared. The available country poverty and social indicators and the environment indicators present a bleak and grim picture. The Government is committed to pursuing a path of broad-based and participatory growth strategy with a strong commitment to reducing poverty. Initiating and completing work on the preparation of a poverty partnership agreement (PPA) will be synchronized with the preparation of a full CSP, scheduled for 2005. The proposed Poverty Reduction Cooperation Fund (PRCF) project is in line with the Government's commitment to reduce poverty.

b. Goal and purpose: The development goal is to address the basic social and economic needs of communities in buffer zones of protected areas by implementing activities and providing incentives that will help reduce poverty as well as promote the conservation of natural resources and wildlife in selected protected areas. The goal of the project is envisaged to be realized by (i) using participatory methods to assess the needs of the communities, and develop feasible strategies and initiatives to address them; (ii) to develop and implement an integrated package of assistance, which includes skills training coupled to opportunities for income generation; and pilot-test assistance that improves food security, improves access to health, and education; and (iii) build institutional mechanisms for sustainability.

c. Components and outputs: The proposed TA will have several major outputs: (i) comprehensive need assessment of target communities in the buffer zones of Pamirs and Bande-Amir protected parks (component 1); (ii) pilot small projects to (a) develop skills for conservation of protected areas (such as natural resource and mountain climbing guides), community and agroforestry, handicrafts (sewing, embroidery, and carpets), horticulture and beekeeping; (b) pilot food security and social protection initiatives that could be scaled up (component 3 and 4); microcredit services established to cater to the poor's special needs (component 5); and (iii) build institutional mechanisms.

Component 1 – Situation analysis and strategy development

This component will conduct participatory assessments of target communities so as to analyze the situation, identify priorities for action and develop a strategy to reduce poverty and protect natural resources. This component will also identify partners for the implementation phase – community groups and nongovernment organizations (NGOs).

Component 2 – Pilot small alternative livelihood schemes

Together with partners identified in component 1, give skills training as guides, agro and community foresters, beekeepers, and empower women by providing alternative livelihoods as in handicrafts.

Component 3 – Enhance food security

This component will provide inputs to help communities increase the range of foods they grow to increase food security and improve nutrition levels. The component will include technical advice in agronomy (introduction to new species), medicinal plants, and greenhouses, and will be tested for scaling up.

Component 4 – Pilot for social protection

Effective social protection measures (e.g., clinics, schools, and basic health counseling services). This component will include environmental awareness education and adult literacy classes.

Component 5 – Community development fund

Community development funds (microfinance) will be made available to communities in Pamirs, and Bandi-Amir protected parks to enable them to invest in productive activities, e.g., handicraft, horticulture, poultry raising, beekeeping, medicinal plants, etc., particularly focused on women.

Component 6 – Institutional capacity building

Opportunities for mutual learning will be provided to the relevant government staff and NGO service provider.

Component 7 – Project management, monitoring and evaluation (M&E), and exploring the potential for replication

An NGO will provide coordination, project management, M&E with inputs from consultants.

d. Expected results and deliverables: Assistance to the communities will be based on an integrated conservation and development approach that would link community development interventions to conservation goals in the form of conservation stewardship agreements. The project will facilitate a participatory approach to establish village conservation stewardship agreements and village development plans. Village development plans would be given in the form of revolving funds for microcredit to individual

households or as grant for commonly agreed upon village development interventions (e.g., greenhouses, agroforestry plots, etc.).

e. Social or environmental issues or concerns: The proposed project will appreciably enhance the quality of life of communities living in the buffer zones of the protected parks and contribute to the protection of parks and biodiversity that has global significance.

f. Plans for disseminating results/deliverables: Results will be presented at national and regional workshops in Afghanistan and at international conferences.

7. Proposed executing/implementing agency or agencies: Ministry of Finance (MOF) as executing agency and an interministerial committee of Ministry of Rural Rehabilitation and Development, Ministry of Irrigation, Water Resources and Environment and Ministry of Agriculture. A TA implementation unit will be established under the MOF for day-to-day management of the TA.

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

Afghanistan's natural resource base has undergone extensive deterioration over the past two decades as a direct result of wars, political instability, and recent widespread drought that has affected many parts of the country. This degradation is parallel with significant growth in poverty. ADB fielded a fact-finding mission from 15 June to 10 July 2003 to observe and make a preliminary assessment of the social and economic conditions of the communities. The visit confirmed the extreme poverty in these communities. They have a short cultivation season, and grow a very limited range of crops making food security a major issue. The people suffer from poor health and nutrition and have very limited or no access to health clinics. In the Pamirs, there is only one clinic for 15,000 persons. The communities around Bandi-Amir have to travel 100 kilometers to seek medical help and often the ill die before help can be obtained.

9. Timetable for assistance design, processing, and implementation

a. Year included in CSP, CSP Update, RCSP, RCSP Update, or interregional work plan: 2003

b. Expected date of submission for approval
 Lending:
 Nonlending (project preparatory):
 Nonlending (other than project preparatory): April 2004

c. Period and duration of assistance
 Lending:
 Nonlending: 24 months

10. Financing Plan

a. For lending
 Ordinary capital resources:
 Asian Development Fund:
 Other:

If cofinancing is required, indicate amount and sources sought: \$____, from _____.

If known, provide cost estimates and financing arrangements.

Source	Amount (\$)
ADB Financing	
Government Financing	
Other Financing	
Total Cost	
Source:	

b. For nonlending

- No resources required, other than ADB staff
 ADB's administrative budget:
 Grant TA funds
 Other: PRCF

If cofinancing is required, indicate amount and sources sought: \$____, from _____.

If known, provide cost estimates and financing arrangements.

Source	Amount (\$)
ADB Financing	
Government Financing	
Other Financing	810,000
Total Cost	810,000

Source:

ADB = Asian Development Bank, CSP = country strategy and program, CSPU = country strategy and program update, RCSP = regional cooperation strategy and program, TA = technical assistance.

**Table A3.4: Balkh River Basin Integrated Water Resources Management Project
Concept Paper**

Date: 12 May 2004

<p>1. Type/modality of assistance</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:</p> <p><input checked="" type="checkbox"/> Nonlending</p> <p> <input type="checkbox"/> Project preparatory</p> <p> <input checked="" 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:</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: Water resource management</p> <p>b. For project preparatory and lending, classification</p> <p> <input type="checkbox"/> Core poverty intervention</p> <p> <input type="checkbox"/> Poverty intervention</p> <p> <input type="checkbox"/> Other</p> <p>c. Key thematic areas</p> <table border="0"> <tr> <td><input checked="" type="checkbox"/> Sustainable economic growth</td> <td><input type="checkbox"/> Environmental sustainability</td> </tr> <tr> <td><input checked="" type="checkbox"/> Inclusive social development</td> <td><input type="checkbox"/> Regional cooperation</td> </tr> <tr> <td><input type="checkbox"/> Governance</td> <td><input type="checkbox"/> Private sector development</td> </tr> <tr> <td><input type="checkbox"/> Gender and development</td> <td></td> </tr> </table>	<input checked="" type="checkbox"/> Sustainable economic growth	<input type="checkbox"/> Environmental sustainability	<input checked="" type="checkbox"/> Inclusive social development	<input type="checkbox"/> Regional cooperation	<input type="checkbox"/> Governance	<input type="checkbox"/> Private sector development	<input type="checkbox"/> Gender and development	
<input checked="" type="checkbox"/> Sustainable economic growth	<input type="checkbox"/> Environmental sustainability							
<input checked="" type="checkbox"/> Inclusive social development	<input type="checkbox"/> Regional cooperation							
<input type="checkbox"/> Governance	<input type="checkbox"/> Private sector development							
<input type="checkbox"/> Gender and development								
<p>3. Coverage</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: Agriculture, Environment, and Natural Resources Division / South Asia Department</p>								
<p>5. Responsible ADB officers: Thomas Panella and Ki-Hee Ryu</p>								
<p>6. Description of assistance(s)</p> <p>a. Background/linkage to country/regional strategy: The project (i) supports the seamless transition from humanitarian assistance to reconstruction and recovery; (ii) supports developing the capacity in the Government, especially Ministry of Irrigation, Water Resources and Environment (MIWRE); (iii) strengthens linkages between the central and regional authorities; (iv) provides labor-intensive reconstruction activities through rehabilitation irrigation schemes; (v) promotes improved and sustainable agricultural livelihood opportunities; and (vi) promotes the independence of communities to develop, manage, and maintain their irrigation systems.</p> <p>b. Goal and purpose: The objectives of the project are to improve water resources management and agricultural productivity, and to provide greater livelihood opportunities and reduce rural poverty in the Balkh</p>								

River Basin. The project will support physical rehabilitation and upgrading of traditional irrigation systems, strengthen water management through Afghanistan's traditional community-based *mirab* (traditional water managers) system, assist in enhancing agricultural productivity, and develop new institutional arrangements for integrated water resources management for the Balkh River Basin. The goal is consistent with the principles of the National Development Framework of the Government and development strategy of MIWRE.

c. Components and outputs:

- (i) The capacity development component will address all aspects of the project, including strengthening capacity for the following: *mirabs* and their irrigation communities for water resources management; improved agricultural practices for basin inhabitants; integrated water resources management for MIWRE staff and *mirabs*, including river basin planning and organization, water resources infrastructure investment planning and asset management, and construction supervision and monitoring; and contracting and construction for local communities with a focus on improving livelihood opportunities for the poor and ex-combatants undergoing demobilization, disarmament and reintegration (DDR).
- (ii) The institutional development component will (a) facilitate a stakeholder forum and dialogue; (b) survey and map all irrigation systems as well as make a detailed inventory of all water abstractions within the basin; (c) develop a strategy and action plan for community management of irrigation based on the *mirab* system; (d) develop a framework for water allocation within the basin; (e) develop a strategy and action plan for interventions to support enhanced agricultural productivity within communities; (f) develop a river basin plan for water resources management, and an investment plan including a prioritized investment strategy, rationalization plan for existing irrigation schemes within the basin, and an asset management plan; (g) develop a river basin organization and any required physical plant; and (h) purchase equipment, vehicles, and other materials.
- (iii) The rehabilitation of irrigation system component will address the current dilapidated status and technical limitations of the irrigation systems, and includes rehabilitation and upgrading of (a) river diversion intakes, (b) canal works, (c) canal structures, and (d) small community storage facilities.

d. Expected results and deliverables: (i) Improved livelihoods opportunities and reduced poverty in the Balkh River Basin; (ii) improved water management in the Balkh River Basin; (iii) improved agricultural productivity in the Balkh River Basin; (iv) reduced conflicts over water allocation in the Balkh River Basin; (v) improved infrastructure for irrigation and water management in the Balkh River Basin; (vi) improved operation and maintenance of irrigation facilities; (vii) strengthened capacity of government officials, *mirabs*, and other stakeholders in the Balkh River Basin; (viii) institutional development for water resource management in the Balkh River Basin; (ix) developed mechanisms for water allocation, planning, and monitoring

e. Social or environmental issues or concerns: Conflicts among water users may be a concern. They may prevent achieving sharing agreements and may lead to the breakdown of traditional water user groups. For this, rehabilitation of infrastructure with project funds will be used as an incentive to encourage agreement. A water user specialist is included in project costs and a conflict management specialist will be hired under incremental costs. United Nations Assistance Mission to Afghanistan will be conducting disarmament and demobilization activities in the project area that will help reduce conflicts.

f. Plans for disseminating results/deliverables: Reports and reference materials including a capacity development program for stakeholders, irrigation rehabilitation and development handbook, among others.

7. Proposed executing/implementing agency or agencies:

Executing Agency: Ministry of Finance

Implementing Agency: MIWRE

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

Extensive community consultations were undertaken as part of the project design with MIWRE, *mirabs*, water users, and regional nongovernment organizations (NGOs). In addition, TA 3874-AFG: Water Resources Planning and Management has already been working in the area surveying irrigation schemes, identifying structures in need of repair, preparing designs, as well as preparing for a new regional office for MIWRE. These activities along with MIWRE staff, *mirabs*, development partners and NGOs, and other stakeholders have provided an excellent knowledge base and preparatory works that will facilitate mobilization of the project.

9. Timetable for assistance design, processing, and implementation

- a. Year included in CSP, CSP Update, RCSP, RCSP Update, or interregional work plan:
- b. Expected date of submission for approval
 - Lending:
 - Nonlending (project preparatory):
 - Nonlending (other than project preparatory): May 2004
- c. Period and duration of assistance
 - Lending:
 - Nonlending: July 2004 to June 2007

10. Financing Plan

- a. For lending
 - Ordinary capital resources:
 - Asian Development Fund:
 - Other:

If cofinancing is required, indicate amount and sources sought: \$ _____, from _____.
 If known, provide cost estimates and financing arrangements.

- b. For nonlending
 - No resources required, other than ADB staff
 - ADB's administrative budget: \$
 - Grant TA funds
 - Other: To be determined

If cofinancing is required, indicate amount and sources sought: \$ _____, from _____.
 If known, provide cost estimates and financing arrangements.

Source	Amount (\$)
Government Financing	1,000,000
Communities	1,000,000
Other Financing	10,000,000
Total Cost	12,000,000

Source: ADB Staff estimates.

ADB = Asian Development Bank, CSP = country strategy and program, RCSP = regional cooperation strategy and program, TA = technical assistance.

**Table A3.5: Capacity Building for Impact Monitoring and Evaluation
Concept Paper**

Date: 1 June 2004

<p>1. Type/modality of assistance</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:</p> <p><input checked="" type="checkbox"/> Nonlending</p> <p><input type="checkbox"/> Project preparatory</p> <p><input checked="" 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:</p>								
<p>2. Assistance Focus</p> <p>a. If assistance focuses on a particular sector or subsector, specify the Sector: Health, Nutrition, and Social Protection Subsector: Social Protection</p> <p>b. For project preparatory and lending, classification</p> <p><input type="checkbox"/> Core poverty intervention</p> <p><input type="checkbox"/> Poverty intervention</p> <p><input type="checkbox"/> Other</p> <p>c. Key thematic area(s)</p> <table> <tr> <td><input type="checkbox"/> Sustainable economic growth</td> <td><input type="checkbox"/> Environmental sustainability</td> </tr> <tr> <td><input type="checkbox"/> Inclusive social development</td> <td><input type="checkbox"/> Regional cooperation</td> </tr> <tr> <td><input type="checkbox"/> Governance</td> <td><input type="checkbox"/> Private sector development</td> </tr> <tr> <td><input type="checkbox"/> Gender and development</td> <td></td> </tr> </table>	<input type="checkbox"/> Sustainable economic growth	<input type="checkbox"/> Environmental sustainability	<input type="checkbox"/> Inclusive social development	<input type="checkbox"/> Regional cooperation	<input type="checkbox"/> Governance	<input type="checkbox"/> Private sector development	<input type="checkbox"/> Gender and development	
<input type="checkbox"/> Sustainable economic growth	<input type="checkbox"/> Environmental sustainability							
<input type="checkbox"/> Inclusive social development	<input type="checkbox"/> Regional cooperation							
<input type="checkbox"/> Governance	<input type="checkbox"/> Private sector development							
<input type="checkbox"/> Gender and development								
<p>3. Coverage</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>5. Responsible division/department: Agriculture, Environment and Natural Resources Division / South Asia Department</p>								
<p>5. Responsible ADB officer: Donneth Walton</p>								
<p>6. Description of assistance</p> <p>a. Background/linkage to country/regional strategy: In Afghanistan, the lead ministry mandated to improve rural livelihoods and ensure social protection is the Ministry of Rural Rehabilitation and Development (MRRD). MRRD carries out several large programs aimed at restoring the physical and social infrastructure of rural Afghanistan. Presently, MRRD is in the process of setting up a monitoring and evaluation (M&E) system for the ministry. This process is supported by ADB's technical assistance (TA) 3874. Initially, the focus of this system will be on monitoring direct results (outputs and effects) of the programs of MRRD. Subsequently, MRRD aims to move on to M&E of impact on beneficiaries. This proposal seeks assistance for the impact M&E. Additionally, MRRD intends to involve its beneficiaries directly and actively in its M&E procedures. Presently, the beneficiaries act only as source of information. They take no part in determining which indicators are important to them and how the M&E should take place; nor are they active in the monitoring process itself. MRRD wants to use this project to introduce more participatory methods of M&E.</p>								

b. Goal and purpose: The project will assist MRRD to establish a system for impact M&E. It will also assist the ministry in applying methods of participatory M&E. Assessing the impact of poverty reduction programs will enable the Government and funding agencies to improve these programs so as to better address the needs of the poor. Including participatory M&E practices will give the poor an active role in the process. By establishing an impact M&E system, the project will contribute directly to monitoring the national poverty reduction strategy of Afghanistan. The results of impact evaluations will be used in formulating the poverty reduction strategy of MRRD, the ministry which has the lead role in implementing programs aimed at reducing rural poverty and improving the livelihoods of the poor.

c. Components and outputs: Components will be developed based on the TA fact-finding mission. The main output is to enable MRRD to undertake impact assessments. MRRD will receive practical assistance in these assessments, and staff will be trained. A start will be made with ensuring that MRRD's beneficiaries take an active role in the M&E processes.

d. Expected results and deliverables:

Expected outputs:

- (i) Procedures of MRRD impact M&E system agreed upon and documented
- (ii) Impact M&E procedures used for all MRRD programs
- (iii) Participatory M&E procedures used at MRRD projects
- (iv) Assistance in surveys
- (v) Trained ministerial and provincial staff

e. Social or environmental issues or concerns: To be determined

f. Plans for disseminating results/deliverables: Workshops within MRRD to disseminate results within the ministry. One workshop with audience from key ministries and development partners. Presentation to the M&E Advisory Group.

7. Proposed executing/implementing agency or agencies: MRRD

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

The proposal was prepared by MRRD and approved by its minister.

9. Timetable for assistance design, processing, and implementation

- a. Year included in CSP, CSP Update, RCSP, RCSP Update, or interregional work plan: 2004
- b. Expected date of submission for approval
 - Lending:
 - Nonlending (project preparatory):
 - Nonlending (other than project preparatory): October 2004
- c. Period and duration of assistance
 - Lending:
 - Nonlending: To be determined

10. Financing Plan

- a. For lending
 - Ordinary capital resources:
 - Asian Development Fund:
 - Other:

If cofinancing is required, indicate amount and sources sought: \$_____, from _____.

If known, provide cost estimates and financing arrangements.

Source	Amount (\$)
ADB Financing	
Government Financing	
Other Financing	
Total Cost	
Source:	
<p>b. For nonlending</p> <p><input type="checkbox"/> No resources required, other than ADB staff</p> <p><input type="checkbox"/> ADB's administrative budget:</p> <p><input checked="" type="checkbox"/> Grant TA funds: TASF</p> <p><input type="checkbox"/> Other:</p>	
If cofinancing is required, indicate amount and sources sought:	
If known, provide cost estimates and financing arrangements.	
Source	Amount (\$)
ADB Financing	450,000
Government Financing	
Other Financing	
Total Cost	450,000
Source:	

ADB = Asian Development Bank, CSP = country strategy and program, RCSP = regional cooperation strategy and program, TA = technical assistance, TASF = technical assistance special fund.

**Table A3.6: Capacity Development for Irrigation and Water Resources Management
Concept Paper**

Date: 1 June 2004

<p>1. Type/modality of assistance</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:</p> <p><input checked="" type="checkbox"/> Nonlending</p> <p><input type="checkbox"/> Project preparatory</p> <p><input checked="" 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:</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: Irrigation and Drainage</p> <p>b. For project preparatory and lending, classification</p> <p><input type="checkbox"/> Core poverty intervention</p> <p><input checked="" type="checkbox"/> Poverty intervention</p> <p><input type="checkbox"/> Other</p> <p>c. Key thematic areas</p> <table> <tr> <td><input checked="" type="checkbox"/> Sustainable economic growth</td> <td><input checked="" type="checkbox"/> Environmental sustainability</td> </tr> <tr> <td><input type="checkbox"/> Inclusive social development</td> <td><input type="checkbox"/> Regional cooperation</td> </tr> <tr> <td><input checked="" type="checkbox"/> Governance</td> <td><input type="checkbox"/> Private sector development</td> </tr> <tr> <td><input type="checkbox"/> Gender and development</td> <td></td> </tr> </table>	<input checked="" type="checkbox"/> Sustainable economic growth	<input checked="" type="checkbox"/> Environmental sustainability	<input type="checkbox"/> Inclusive social development	<input type="checkbox"/> Regional cooperation	<input checked="" type="checkbox"/> Governance	<input type="checkbox"/> Private sector development	<input type="checkbox"/> Gender and development	
<input checked="" type="checkbox"/> Sustainable economic growth	<input checked="" type="checkbox"/> Environmental sustainability							
<input type="checkbox"/> Inclusive social development	<input type="checkbox"/> Regional cooperation							
<input checked="" type="checkbox"/> Governance	<input type="checkbox"/> Private sector development							
<input type="checkbox"/> Gender and development								
<p>3. Coverage</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>6. Responsible division/department: Agriculture, Environment and Natural Resources Division / South Asia Department</p>								
<p>5. Responsible ADB officer: Thomas Panella</p>								
<p>6. Description of assistance</p> <p>a. Background/linkage to country/regional strategy: Water resources are one of Afghanistan's most valuable resources and are fundamental to agriculture, which supports about 85% of the population. Irrigated agriculture is critical, as it accounts for the bulk of agricultural production. Any reduction in the country's rural poverty will require improved access to water resources and irrigation, along with improved availability of input supply, support services, and marketing infrastructure. The country has a total agricultural area of about 8 million hectares (ha), with more than 2.6 million ha covered by irrigation schemes. Irrigation schemes require rehabilitation due to system deterioration caused by neglect and inadequate resources during decades of civil unrest. There is also a scope to further expand the irrigated area.</p> <p>The Ministry of Irrigation Water Resources and Environment (MIWRE) is the government entity responsible for development and management of irrigation systems and management of water resources. The capacity of</p>								

MIWRE was significantly diminished during the years of civil unrest. Skilled engineers were few and there was a severe lack of analytical skills, policy analysis, and strategic planning capacity at the senior levels. ADB had been supporting MIWRE through technical assistance (TA) 3874 subcluster 1B, Capacity Development for MIWRE. The TA was successful in helping MIWRE develop a water policy, reorganize the ministry, comply with civil service requirements, conduct overall investment planning for the sector, and generally strengthening the framework for integrated water resources management (IWRM). The TA closed in May 2004. In addition to providing critical capacity development support for MIWRE, the TA engaged ADB in the day-to-day activities of MIWRE. Maintaining close dialogue and contact with MIWRE is critical because ADB irrigation and water resources programs activities under the Emergency Infrastructure Rehabilitation and Reconstruction Project (EIRRP) traditional irrigation component, the Balkh River Basin Integrated Water Resources Management Project, and the Western Basins Water Resources Management and Irrigated Agricultural Development Project are increasing significantly. The capacity at MIWRE has remained weak, while its overall activities in addition to ADB's are also increasing. There is a need to continue direct ADB support to MIWRE to augment the overall ministry capacity as well as to help it play a general coordinating and support role for all ADB projects. ADB will be the largest aid agency in the irrigation and water resources sector with over \$100 million, and it needs to ensure that the ministry develops the capacity to coordinate ADB activities to maximize their overall impact on the development of sectors.

b. Goal and purpose: The goal of the TA is to continue to develop MIWRE's capacity for policy analysis and strategic planning in the irrigation and water resources sectors and to ensure that ADB activities are coordinated to maximize their overall impact in the sectors.

c. Components and outputs: The TA will involve recruitment of a senior, long-term (2 years) advisor to serve at the deputy and ministerial level to achieve the following: (i) development of the capacity for strategic planning and overall coordination of investment activities in the irrigation and water resources sectors, (ii) strengthening of the institutional framework for IWRM in Afghanistan, (iii) developing the capacity of river basin organizations under MIWRE, (iv) support for continued restructuring and development of MIWRE, and (v) overall support to coordinate ADB investment activities in the sector.

d. Expected results and deliverables: The TA is anticipated to achieve the following results and produce the following deliverables: (i) strategic papers for use by MIWRE in addressing specific issues related to IWRM, (ii) planning documents for MIWRE and the irrigation and water resources sectors, (iii) program analysis and evaluations, (iv) workshops and policy forums to address issues in the sectors, and (v) regular reports to ADB on investment activities.

e. Social or environmental issues or concerns: The TA is anticipated to have positive social and environmental impacts. IWRM explicitly recognizes the importance of water for environmental needs and the framework for IWRM will be strengthened under the TA. User participation and improved equity in access to water resources are also fundamental tenets of IWRM and will be promoted through the TA.

f. Plans for disseminating results/deliverables: The TA will produce reports and strategic papers for wide dissemination and will conduct several workshops on integrated water resources management issues as well as Afghan-specific institutional and policy issues in the irrigation and water resources sectors.

7. Proposed executing/implementing agency or agencies: MIWRE

8. Nature/extent of government/beneficiary involvement in identifying or conceptualizing the assistance:
The TA and detailed terms of reference (TOR) will be developed in consultation with MIWRE.

9. Timetable for assistance design, processing, and implementation

- a. Year included in CSP, CSP Update, RCSP, RCSP Update, or interregional work plan: 2004
- b. Expected date of submission for approval
 - Nonlending (project preparatory): 2004
 - Nonlending (other than project preparatory):
- c. Period and duration of assistance
 - Nonlending: 2006

10. Financing Plan

a. For lending

- Ordinary capital resources: \$
- Asian Development Fund: \$
- Other:

If cofinancing is required, indicate amount and sources sought: \$ _____, from _____.

If known, provide cost estimates and financing arrangements.

Source	Amount (\$)
ADB Financing	
Government Financing	
Other Financing	
Total Cost	

Source:

b. For nonlending

- No resources required, other than ADB staff
- ADB's administrative budget: \$
- Grant TA funds: TASF
- Other:

If cofinancing is required, indicate amount and sources sought: \$ _____, from _____.

If known, provide cost estimates and financing arrangements.

Source	Amount (\$)
ADB Financing	550,000
Government Financing	
Other Financing	
Total Cost	550,000

Source: Asian Development Bank estimates.

ADB = Asian Development Bank, CSP = country strategy and program, RCSP = regional cooperation strategy and program, TA = technical assistance, TASF = technical assistance special fund.

**Table A3.7: Poverty Reduction and Rural Renewable Energy Development
Concept Paper**

Date: 4 May 2004

<p>1. Type/modality of assistance</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:</p> <p><input type="checkbox"/> Nonlending</p> <p> <input type="checkbox"/> Project preparatory</p> <p> <input checked="" type="checkbox"/> Other than project preparatory</p> <p> <input checked="" type="checkbox"/> Economic, thematic, and sector work</p> <p> <input type="checkbox"/> Institutional development</p> <p> <input type="checkbox"/> Other:</p>								
<p>2. Assistance Focus</p> <p>a. If assistance focuses on a particular sector or subsector, specify the Sector: Energy Subsector: Renewable energy generation</p> <p>b. For project preparatory and lending, classification</p> <p> <input checked="" type="checkbox"/> Core poverty intervention</p> <p> <input type="checkbox"/> Poverty intervention</p> <p> <input type="checkbox"/> Other</p> <p>c. Key thematic areas</p> <table border="0"> <tr> <td><input checked="" type="checkbox"/> Sustainable economic growth</td> <td><input checked="" type="checkbox"/> Environmental sustainability</td> </tr> <tr> <td><input checked="" type="checkbox"/> Inclusive social development</td> <td><input type="checkbox"/> Regional cooperation</td> </tr> <tr> <td><input type="checkbox"/> Governance</td> <td><input type="checkbox"/> Private sector development</td> </tr> <tr> <td><input checked="" type="checkbox"/> Gender and development</td> <td></td> </tr> </table>	<input checked="" type="checkbox"/> Sustainable economic growth	<input checked="" type="checkbox"/> Environmental sustainability	<input checked="" type="checkbox"/> Inclusive social development	<input type="checkbox"/> Regional cooperation	<input type="checkbox"/> Governance	<input type="checkbox"/> Private sector development	<input checked="" type="checkbox"/> Gender and development	
<input checked="" type="checkbox"/> Sustainable economic growth	<input checked="" type="checkbox"/> Environmental sustainability							
<input checked="" type="checkbox"/> Inclusive social development	<input type="checkbox"/> Regional cooperation							
<input type="checkbox"/> Governance	<input type="checkbox"/> Private sector development							
<input checked="" type="checkbox"/> Gender and development								
<p>3. Coverage</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: Afghanistan Resident Mission/South Asia Department</p>								
<p>5. Responsible ADB officer: Ali Azimi</p>								
<p>6. Description of assistance</p> <p>a. Background/linkage to country/regional strategy: Afghanistan was one of the poorest places in the world before the Soviet invasion led to more than 20 years of conflict and destruction. Afghanistan is at or near the bottom of every socioeconomic indicator used to measure human and economic progress. The country's overall human misery index is among the highest in the world. For example, one of four Afghan children dies before the age of five. Afghanistan is tied with Sierra Leone as having the highest maternal mortality (death due to complications of pregnancy or childbirth) rates in the world.</p> <p>The majority of the country's population lives in rural areas. Abject poverty in the rural areas is related to lack of income opportunities, and productive use of electricity would help reduce poverty by providing alternative sources of livelihood. In 1993, the per capita consumption of electricity was estimated at 45 kWh with only 6% of the population having access to electricity — possibly the lowest in the world.</p>								

Electricity networks are located around major cities; there is no national power grid. Access to electricity is a key element in rural development. Whether it is used to provide higher quality lighting for rural homes accustomed to kerosene lamps or to provide power for microbusinesses, the availability of electricity can make a difference in the lives of people in rural areas.

Due to the remoteness of rural locations and the topography of the country, a centralized grid system is not economically feasible and it will be many decades, if ever, before it reaches the poor in the villages. There is therefore an urgent need to explore renewable sustainable alternative energy sources that can be maintained at a decentralized level and affordable to the poor. Solar energy is considered the most important source for the purpose. The Government estimates that solar insolation averages about 6.5 kWh per square meter per day, with sunny skies for about 300 days a year. Consequently there is a huge potential for solar energy development, not only for solar water for homes, hospitals, and buildings, but also for generating electricity.

The Government of Afghanistan is committed to address the deprivation experienced by large parts of the rural Afghan population by community-based development and income generation. Approximately 90% of the population live in rural areas and depend on traditional fuels (fuelwood and crop residues) for cooking and water heating, and kerosene for lighting. This has an adverse impact on forests and watersheds. Burning these fuels increases indoor air pollution, which adversely affects the health of women and children in particular. Rural electrification is the only way that the majority of its rural populace can move toward attaining energy security and enhancing social welfare.

The proposed project will target the poorest and most vulnerable in the selected communities. In particular, it will seek out illiterate and semi-illiterate youth, women and men including disabled persons who were maimed in the conflict and are generally marginalized. These groups would be trained to become solar engineers to assemble, install, maintain, and repair solar photovoltaic (PV) equipment. The training will give them a means to earn an income. Solar energy will provide two additional crucial benefits: the opportunity for lighting, which can be used to run literacy and other courses in the evening, and to operate solar PV pumps to provide irrigation for crops. Evening classes will benefit children and adults working in the fields during the day, and the solar powered pumps can provide irrigation for agricultural production in which 85% of Afghans are engaged. This is important for increasing both incomes and food security for vulnerable families.

The Poverty Reduction Cooperation Fund (PRCF) will provide the opportunity to pilot-test decentralized approaches to poverty reduction in Afghanistan through solar PV systems for sustainable income generation, heating, cooking, and lighting. This project will also address the need to build local capacities within the community to set up, operate, repair, and maintain solar PV generating systems to meet local needs.

Thus the issue of providing sustainable energy will be addressed within the broader context of poverty reduction through income generation, improved health and well-being, gender equity, environmental sustainability, and community-based ownership and management.

b. Goal and purpose: The goal of this PRCF pilot project is to establish the necessary conditions for pre-electrification of remote areas using solar power. It will include developing training packages to increase the number of personnel qualified to install, maintain, and finance these systems. It will involve developing public information to inform the public about how to avail themselves of the benefit of these systems. The project will develop a small revolving fund and solicit additional cofinancing on a pilot basis, to help households and businesses defray the high up-front costs of the systems. The long-term objective of the pilot project is to lay the foundation for the sustainable dissemination and use of solar systems in rural areas that cannot be accessed in the near and medium term by the planned national electric grid. The specific objectives are to (i) evaluate the potential for increased use of solar PV technology to provide solar powered electricity in rural areas of the country through the involvement of NGOs in providing energy services to the poor; (ii) determine the necessary policy, technical, financial, social, and institutional requirements to expand the market for the PV systems on a demand-driven, cost-recovery basis; (iii) build the capacity of poor marginalized persons to design, install, service, and for the public sector to promote, monitor and evaluate the performance of these systems, and to provide the policy framework for expanded use of solar PV systems; (iv) provide solar PV systems in communities and households in approximately 10 villages; and (v) empower women.

The project design will be based on lessons from the experience of ADB, World Bank, and other agencies in supporting renewable energy technologies in countries of the region – India, Indonesia, Sri Lanka, Viet Nam, etc. Some of these lessons follow:

- need for provision of microfinance options for technologies with high front-end costs like solar PV;
- need for understanding market characteristics, including willingness and capability of the poor to pay; and

- need for technical assistance in building capacity of various stakeholders.

c. Components and outputs:

Component 1 – Needs assessment

This component will assess the needs of the communities in 10 villages for solar PV systems.

Output: A report detailing needs of the communities and how best to meet them with solar PV systems.

Component 2 – Equipment

Provision of solar PV systems to the poor in 10 remote villages with a 10-year guarantee on replacement of spares, batteries and accessories.

Output: Solar PV equipment purchased and installed.

Component 3 – Income generation

Investigate the feasibility of setting up solar PV-powered common facility centers for income generation activities. The centers will assemble solar lanterns and home lighting systems, solar hot water systems, solar dryers. The centers could also be used to train the communities to acquire skills for handicraft making, carpentry, masonry, etc.

Output: Construction of common facility centers, training in assembly of solar PV equipment, income generation options identified and training.

Component 4 – Training and capacity building

The project will train approximately 100 persons (10 persons x 10 villages) in the above activities to become energy entrepreneurs for servicing solar equipment. The criteria for selecting villages will be developed in consultation with the government. The project will also train and build the capacity of villagers to operate and manage community-based enterprises. Literacy classes will be provided at night.

Output: 100 persons trained. Literacy classes started and students enrolled.

Component 5 – Energy revolving fund

A revolving fund will be set up by an NGO to enable communities to borrow money for setting up solar energy systems in villages not covered by the initial investment.

Component 6 – Project management and impact assessment

d. Expected results and deliverables: The project will address the promotion of sustainable human development and poverty reduction. The project aims to set up self-sustaining systems of renewable energy and train women, the youth, and the disabled to install, repair, and maintain these systems in their own villages and communities. It also aims to shift from beneficiary mode to a service-oriented mode that would be sustainable and would enhance livelihoods and quality of life for low-income households in selected rural villages.

The project will establish the policy, technical, financial, social, and institutional requirements for expanding the market of PV systems. The project will involve the full participation of local communities in all aspects of design and implementation and at all levels, and empower women and communities by developing skills. It will permit the preparation of an investment plan for the use of PV technology on a national scale in Afghanistan, using one or more proven implementation strategies. While the initial funding for the project will come from an external source, alternative options generated from within the communities will be investigated with the view to creating self-sustaining funding. For example, the supply of solar equipment will be based on cost-recovery principles although initially subsidized through project funds. This model has been tested in India with success and will be replicated in rural areas of Afghanistan.

e. Social or environmental issues or concerns: There will be no adverse social or environmental issues. Indeed the project is aimed at reducing negative environmental impacts by introducing clean and renewable energy alternatives.

f. Plans for disseminating results/deliverables: The results will be primarily disseminated through a national seminar in Kabul and mass media. At the national level, this will have wide participation from all stakeholders – the aim being to replicate results in other communities throughout the country. Regional workshops will be held to share the results of the project and increase learning and interaction.

A project steering committee consisting of key stakeholders will be set up to assist with disseminating results. The steering committee will help to integrate the pilot into government policies and plans, and assist with replication of results and lessons learned.

<p>7. Proposed executing/implementing agency or agencies: Ministry of Water and Power (MWP)</p>																				
<p>8. Nature/extent of government/beneficiary involvement in identifying or conceptualizing the assistance:</p> <p>Consultations in developing a project framework were held with MWP, Ministry of Rural Rehabilitation and Development, NGOs, e.g., Aga Khan Foundation, Norwegian Afghanistan Committee, Solidarities, and the World Bank.</p>																				
<p>9. Timetable for assistance design, processing, and implementation</p> <p>a. Year included in CSP, CSP Update, RCSP, RCSP Update, or interregional work plan: 2003</p> <p>b. Expected date of submission for approval</p> <p style="padding-left: 20px;">Lending:</p> <p style="padding-left: 20px;">Nonlending (project preparatory):</p> <p style="padding-left: 20px;">Nonlending (other than project preparatory): January 2004</p> <p>c. Period and duration of assistance</p> <p style="padding-left: 20px;">Lending:</p> <p style="padding-left: 20px;">Nonlending: June 2004 – June 2006</p>																				
<p>10. Financing Plan</p> <p>a. For lending</p> <p><input type="checkbox"/> Ordinary capital resources:</p> <p><input type="checkbox"/> Asian Development Fund:</p> <p><input type="checkbox"/> Other:</p> <p>If cofinancing is required, indicate amount and sources sought: \$____, from _____.</p> <p>If known, provide cost estimates and financing arrangements.</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Source</th> <th style="text-align: right;">Amount (\$)</th> </tr> </thead> <tbody> <tr> <td>ADB Financing</td> <td></td> </tr> <tr> <td>Government Financing</td> <td></td> </tr> <tr> <td>Other Financing</td> <td></td> </tr> <tr> <td>Total Cost</td> <td></td> </tr> </tbody> </table> <p>Source:</p> <p>b. For nonlending</p> <p><input type="checkbox"/> No resources required, other than ADB staff</p> <p><input type="checkbox"/> ADB's administrative budget:</p> <p><input type="checkbox"/> Grant TA funds</p> <p><input checked="" type="checkbox"/> Other: DFID</p> <p>If cofinancing is required, indicate amount and sources sought: \$____, from _____.</p> <p>If known, provide cost estimates and financing arrangements.</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Source</th> <th style="text-align: right;">Amount (\$)</th> </tr> </thead> <tbody> <tr> <td>ADB Financing</td> <td></td> </tr> <tr> <td>Government Financing</td> <td></td> </tr> <tr> <td>Other Financing</td> <td style="text-align: right;">750,000</td> </tr> <tr> <td>Total Cost</td> <td style="text-align: right;">750,000</td> </tr> </tbody> </table> <p>Source:</p>	Source	Amount (\$)	ADB Financing		Government Financing		Other Financing		Total Cost		Source	Amount (\$)	ADB Financing		Government Financing		Other Financing	750,000	Total Cost	750,000
Source	Amount (\$)																			
ADB Financing																				
Government Financing																				
Other Financing																				
Total Cost																				
Source	Amount (\$)																			
ADB Financing																				
Government Financing																				
Other Financing	750,000																			
Total Cost	750,000																			

ADB = Asian Development Bank, CSP = country strategy and program, CSPU = country strategy and program update, DFID = Department for International Development, RCSP = regional cooperation strategy and program, TA = technical assistance.

**Table A3.8: Support for Establishing a Gas Regulatory Framework
Concept Paper**

Date: 13 May 2004

<p>1. Type/modality of assistance</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:</p> <p><input checked="" type="checkbox"/> Nonlending</p> <p> <input type="checkbox"/> Project preparatory</p> <p> <input checked="" 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:</p>								
<p>2. Assistance Focus</p> <p>a. If assistance focuses on a particular sector or subsector, specify the Sector: Energy Subsector: Energy sector development and reforms</p> <p>b. For project preparatory and lending, classification</p> <p> <input type="checkbox"/> Core poverty intervention</p> <p> <input type="checkbox"/> Poverty intervention</p> <p> <input type="checkbox"/> Other</p> <p>c. Key thematic area</p> <table border="0"> <tr> <td><input type="checkbox"/> Sustainable economic growth</td> <td><input type="checkbox"/> Environmental sustainability</td> </tr> <tr> <td><input type="checkbox"/> Inclusive social development</td> <td><input type="checkbox"/> Regional cooperation</td> </tr> <tr> <td><input type="checkbox"/> Governance</td> <td><input checked="" type="checkbox"/> Private sector development</td> </tr> <tr> <td><input type="checkbox"/> Gender and development</td> <td></td> </tr> </table>	<input type="checkbox"/> Sustainable economic growth	<input type="checkbox"/> Environmental sustainability	<input type="checkbox"/> Inclusive social development	<input type="checkbox"/> Regional cooperation	<input type="checkbox"/> Governance	<input checked="" type="checkbox"/> Private sector development	<input type="checkbox"/> Gender and development	
<input type="checkbox"/> Sustainable economic growth	<input type="checkbox"/> Environmental sustainability							
<input type="checkbox"/> Inclusive social development	<input type="checkbox"/> Regional cooperation							
<input type="checkbox"/> Governance	<input checked="" type="checkbox"/> Private sector development							
<input type="checkbox"/> Gender and development								
<p>3. Coverage</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: Energy Division / South Asia Department</p>								
<p>5. Responsible ADB officer: Najeeb Jung</p>								
<p>6. Description of assistance</p> <p>a. Background/linkage to country/regional strategy: ADB's strategy is to help in reconstructing the gas sector in Afghanistan and expedite the involvement of the private sector. The proposed technical assistance will assist both these goals.</p> <p>b. Goal and purpose: The purpose is to design an effective regulatory system.</p> <p>c. Components and outputs: The outputs include a review of other regulatory systems and drafting rules and laws for an appropriate and suitable regulatory body in Afghanistan.</p> <p>d. Expected results and deliverables: The deliverables will include a study of other frameworks, establishment of regulatory objectives, proper institutional arrangements, and drafting of rules and regulations.</p>								

<p>e. Social or environmental issues or concerns: none</p> <p>f. Plans for disseminating results/deliverables: Seminars, training, and workshops in the country</p>																				
<p>7. Proposed executing/implementing agency or agencies: Ministry of Mines and Industry</p>																				
<p>8. Nature/extent of government/beneficiary involvement in identifying or conceptualizing the assistance: The Government of Afghanistan is committed to the establishment of a regulatory body and will provide all necessary help.</p>																				
<p>9. Timetable for assistance design, processing, and implementation</p> <p>a. Year included in CSP, CSP Update, RCSP, RCSP Update, or interregional work plan: CSPU 2003</p> <p>b. Expected date of submission for approval Lending: Nonlending (project preparatory): June 2004 Nonlending (other than project preparatory):</p> <p>c. Period and duration of assistance Lending: Nonlending: 9 months</p>																				
<p>10. Financing Plan</p> <p>a. For lending</p> <p><input type="checkbox"/> Ordinary capital resources:</p> <p><input type="checkbox"/> Asian Development Fund:</p> <p><input type="checkbox"/> Other:</p> <p>If cofinancing is required, indicate amount and sources sought: \$ _____, from _____.</p> <p>If known, provide cost estimates and financing arrangements.</p> <table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left; border-bottom: 1px solid black;">Source</th> <th style="text-align: right; border-bottom: 1px solid black;">Amount (\$)</th> </tr> </thead> <tbody> <tr> <td>ADB Financing</td> <td></td> </tr> <tr> <td>Government Financing</td> <td></td> </tr> <tr> <td>Other Financing</td> <td></td> </tr> <tr> <td style="border-top: 1px solid black;">Total Cost</td> <td style="border-top: 1px solid black;"></td> </tr> </tbody> </table> <p>Source:</p> <p>b. For nonlending</p> <p><input type="checkbox"/> No resources required, other than ADB staff</p> <p><input type="checkbox"/> ADB's administrative budget:</p> <p><input checked="" type="checkbox"/> Grant TA funds: TASF</p> <p><input type="checkbox"/> Other:</p> <p>If cofinancing is required, indicate amount and sources sought: \$ _____, from _____.</p> <p>If known, provide cost estimates and financing arrangements.</p> <table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left; border-bottom: 1px solid black;">Source</th> <th style="text-align: right; border-bottom: 1px solid black;">Amount (\$)</th> </tr> </thead> <tbody> <tr> <td>ADB Financing</td> <td style="text-align: right;">750,000</td> </tr> <tr> <td>Government Financing</td> <td></td> </tr> <tr> <td>Other Financing</td> <td></td> </tr> <tr> <td style="border-top: 1px solid black;">Total Cost</td> <td style="border-top: 1px solid black; text-align: right;">750,000</td> </tr> </tbody> </table> <p>Source:</p>	Source	Amount (\$)	ADB Financing		Government Financing		Other Financing		Total Cost		Source	Amount (\$)	ADB Financing	750,000	Government Financing		Other Financing		Total Cost	750,000
Source	Amount (\$)																			
ADB Financing																				
Government Financing																				
Other Financing																				
Total Cost																				
Source	Amount (\$)																			
ADB Financing	750,000																			
Government Financing																				
Other Financing																				
Total Cost	750,000																			

ADB = Asian Development Bank, CSP = country strategy and program, CSPU = country strategy and program update, RCSP = regional cooperation strategy and program, TA = technical assistance, TASF = technical assistance special fund.

**Table A3.9: Promoting International Trade and Cross-Border Trade Facilitation
Concept Paper**

Date: 1 April 2003

<p>1. Type/modality of assistance</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:</p> <p><input checked="" type="checkbox"/> Nonlending</p> <p> <input type="checkbox"/> Project preparatory</p> <p> <input checked="" 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:</p>								
<p>2. Assistance Focus</p> <p>a. If assistance focuses on a particular sector or subsector, specify the Sector: Industry and Trade Subsector: Trade</p> <p>b. For project preparatory and lending, classification</p> <p> <input type="checkbox"/> Core poverty intervention</p> <p> <input type="checkbox"/> Poverty intervention</p> <p> <input type="checkbox"/> Other</p> <p>c. Key thematic areas</p> <table border="0"> <tr> <td><input checked="" type="checkbox"/> Sustainable economic growth</td> <td><input type="checkbox"/> Environmental sustainability</td> </tr> <tr> <td><input type="checkbox"/> Inclusive social development</td> <td><input checked="" type="checkbox"/> Regional cooperation</td> </tr> <tr> <td><input type="checkbox"/> Governance</td> <td><input checked="" type="checkbox"/> Private sector development</td> </tr> <tr> <td><input type="checkbox"/> Gender and development</td> <td></td> </tr> </table>	<input checked="" type="checkbox"/> Sustainable economic growth	<input type="checkbox"/> Environmental sustainability	<input type="checkbox"/> Inclusive social development	<input checked="" type="checkbox"/> Regional cooperation	<input type="checkbox"/> Governance	<input checked="" type="checkbox"/> Private sector development	<input type="checkbox"/> Gender and development	
<input checked="" type="checkbox"/> Sustainable economic growth	<input type="checkbox"/> Environmental sustainability							
<input type="checkbox"/> Inclusive social development	<input checked="" type="checkbox"/> Regional cooperation							
<input type="checkbox"/> Governance	<input checked="" type="checkbox"/> Private sector development							
<input type="checkbox"/> Gender and development								
<p>3. Coverage</p> <p><input type="checkbox"/> Country <input checked="" type="checkbox"/> Subregional <input type="checkbox"/> Interregional</p> <p><input type="checkbox"/> Internal policy development</p>								
<p>4. Responsible division/department: Transport and Communications Division / South Asia Department</p>								
<p>5. Responsible ADB officer: Natin Patel</p>								
<p>6. Description of assistance</p> <p>a. Background/linkage to country/regional strategy: Afghanistan is central to the promotion of regional trade and commerce. Historically, Afghanistan and its neighbors acted as a meeting ground and a route for trade and the communication of ideas. The collapse of the Soviet Union, the emergence of Central Asian republics, the defeat of the Taliban, and the subsequent assumption of power of the present Afghan administration, should allow the country to resume its central role in regional economic cooperation. Given a narrow domestic demand base, a significant share of Afghanistan's future growth is likely to come from international and regional trade. Essential to the realization of greater benefits from regional cooperation is the rehabilitation of Afghanistan's road infrastructure, harmonization of customs systems, and rationalization of existing transit trade agreements. In 2002, under a TA cluster, ADB provided support for developing a framework and legislation for cross-border trade. The TA took stock of existing bilateral and multilateral conventions and agreements in which Afghanistan is a participant, and analyzed existing traffic patterns to determine the need to amend existing laws, regulations,</p>								

and procedures or develop new ones. The proposed TA could be considered as phase 2 of the first as it will be primarily concerned with implementing the findings of the first TA, which is being successfully implemented.

b. Goal and purpose: The goal of the TA is to promote economic growth and reduce poverty by enabling Afghanistan to fully exploit international and regional trade and investment and other exchange opportunities. The purpose is to create an enabling environment by amending existing conventions and agreements, laws, regulations, and procedures on the basis of new realities. Where feasible, mutual trade agreements will be promoted with neighboring countries together with clarification of transit rights. Physical investments necessary for trade facilitation will be identified and linked to the Government's sector development plans and the development budget. In view of the Government's strong commitment to promoting the private sector as engine of growth, particular attention will be paid to the effect of the framework on expansion of private sector participation in international and cross-border trade. A monitoring mechanism will be put in place to observe traffic flows and private sector participation, and to review effectiveness of trade facilitation measures put in place.

c. Components and outputs: The project will provide equipment, materials, vehicles, computers and technical expert services, and support training, surveys, data processing, analysis, report preparation, and dissemination.

The TA will have the following components:

- (i) Amending existing conventions and agreements, laws, regulations, and procedures. This will involve drafting amendments, facilitating legislative and/or administrative actions to put amendments into effect, and establishing institutional mechanisms for implementing the amended legal and regulatory framework.
- (ii) Drafting mutual trade agreements on bilateral or multilateral basis as appropriate, assisting in their negotiations, and if agreed upon, assisting in their implementation
- (iii) Assisting in drafting, seeking approval, and implementing transit rights
- (iv) Examining the role of transport logistics (trucking, containerization, transport prices etc.) in cross-border trade
- (v) Developing an investment program to facilitate international and cross-border trade
- (vi) Networking of trade-related institutions and signing of cooperation agreements
- (vii) Establishing databases and information linkages
- (viii) Developing a framework for monitoring traffic flows and trade impact

The specific outputs of the proposed TA are follows:

- (i) Revised set of conventions and agreements, laws, regulations, and procedures regulating international and regional trade
- (ii) New draft trade agreements with regional partners
- (iii) Agreements on transit rights of neighboring and other countries
- (iv) Investment portfolio in support of international and cross-border trade facilitation
- (v) Accessible information network
- (vi) Increased private sector participation in international and regional trade
- (vii) Monitoring reports

d. Expected results and deliverables: The Government has demonstrated great interest in reactivating Afghanistan's role in regional cooperation. With assistance from ADB, it is reviving road links with Turkmenistan and Uzbekistan in the north and Pakistan in the southeast. Ongoing rehabilitation of damaged transmission lines in the country's northern power grid will allow imports of power from Turkmenistan and Uzbekistan. Transit rights are being negotiated for the proposed Turkmenistan-Afghanistan-Pakistan natural gas pipeline. Initiatives relating to cross-border trade facilitation are under way. The Government also has expressed interest in reviving the Economic Cooperation Organization (Afghanistan, Azerbaijan, Iran, Kazakhstan, Kyrgyzstan, Pakistan, Tajikistan, Turkey, Turkmenistan, and Uzbekistan) as an institutional vehicle for fostering regional cooperation. Afghanistan is poised to resume its central role in regional trade and commerce. Peace and stability, and prosperity of Afghanistan would be a catalyst for rapprochement or closer bonds between neighbors, e.g., between Iran and Pakistan, Pakistan and India, and between any one of these countries and the Central Asian neighbors like Tajikistan, Turkmenistan, and Uzbekistan. Bilateral trade commodity opportunities are considerable in such items as fruits, nuts, and other tree crops; carpets and other textiles; dried fruits, high-value horticultural crops like flower, wool, and cotton, herbs and spices; specialist manufactured wooden and metal products including handicrafts and jewelry, leather and skins, stones, and the like. New trade routes will be opened up with northern neighbors and Iran, and an alternative route to the sea could be used through Iran. Transit trade gain would also have much potential. Apart from the considerable benefits of trade, gains would accrue from reduced waiting times, and reduced transport and other costs.

<p>e. Social or environmental issues or concerns: Social benefits will be immense and environmental concerns linked to trade will be fully reflected in conventions and agreements, laws, regulations, and procedures.</p> <p>f. Plans for disseminating results/deliverables: Workshops, seminars, publications, and electronic media and linked access to debt database.</p>																				
<p>7. Proposed executing/implementing agency or agencies: Ministry of Commerce</p>																				
<p>8. Nature/extent of government/beneficiary involvement in identifying or conceptualizing the assistance: Consultations were carried out with the Government and development partners.</p>																				
<p>9. Timetable for assistance design, processing, and implementation</p> <p>a. Year included in CSP, CSP Update, RCSP, RCSP Update, or interregional work plan: CSPU 2003</p> <p>b. Expected date of submission for approval Lending: Nonlending (project preparatory): Nonlending (other than project preparatory): July 2004</p> <p>c. Period and duration of assistance Lending: Nonlending: 2 years</p>																				
<p>10. Financing Plan</p> <p>a. For lending</p> <p><input type="checkbox"/> Ordinary capital resources: <input type="checkbox"/> Asian Development Fund: <input type="checkbox"/> Other:</p> <p>If cofinancing is required, indicate amount and sources sought: \$____, from _____. If known, provide cost estimates and financing arrangements.</p> <table border="1"> <thead> <tr> <th>Source</th> <th>Amount (\$)</th> </tr> </thead> <tbody> <tr> <td>ADB Financing</td> <td></td> </tr> <tr> <td>Government Financing</td> <td></td> </tr> <tr> <td>Other Financing</td> <td></td> </tr> <tr> <td>Total Cost</td> <td></td> </tr> </tbody> </table> <p>Source:</p> <p>b. For nonlending</p> <p><input type="checkbox"/> No resources required, other than ADB staff <input type="checkbox"/> ADB's administrative budget: <input checked="" type="checkbox"/> Grant TA funds: TASF <input type="checkbox"/> Other:</p> <p>If cofinancing is required, indicate amount and sources sought: \$____, from _____. If known, provide cost estimates and financing arrangements.</p> <table border="1"> <thead> <tr> <th>Source</th> <th>Amount (\$)</th> </tr> </thead> <tbody> <tr> <td>ADB Financing</td> <td>550,000</td> </tr> <tr> <td>Government Financing</td> <td></td> </tr> <tr> <td>Other Financing</td> <td></td> </tr> <tr> <td>Total Cost</td> <td>550,000</td> </tr> </tbody> </table> <p>Source:</p>	Source	Amount (\$)	ADB Financing		Government Financing		Other Financing		Total Cost		Source	Amount (\$)	ADB Financing	550,000	Government Financing		Other Financing		Total Cost	550,000
Source	Amount (\$)																			
ADB Financing																				
Government Financing																				
Other Financing																				
Total Cost																				
Source	Amount (\$)																			
ADB Financing	550,000																			
Government Financing																				
Other Financing																				
Total Cost	550,000																			

ADB = Asian Development Bank, CSP = country strategy and program, CSPU = country strategy and program update, RCSP = regional cooperation strategy and program, TA = technical assistance, TASF = technical assistance special fund.

**Table A3.10: Security of ADB-Financed Projects in Afghanistan
Concept Paper**

Date: 28 April 2004

<p>1. Type/modality of assistance</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:</p> <p><input checked="" type="checkbox"/> Nonlending</p> <p> <input type="checkbox"/> Project preparatory</p> <p> <input checked="" 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:</p>								
<p>2. Assistance Focus</p> <p>a. If assistance focuses on a particular sector or subsector, specify the Sector: Law and Public Sector Management Subsector: Sub-national government</p> <p>b. For project preparatory and lending, classification</p> <p> <input type="checkbox"/> Core poverty intervention</p> <p> <input type="checkbox"/> Poverty intervention</p> <p> <input type="checkbox"/> Other</p> <p>c. Key thematic area</p> <table border="0"> <tr> <td><input type="checkbox"/> Sustainable economic growth</td> <td><input type="checkbox"/> Environmental sustainability</td> </tr> <tr> <td><input type="checkbox"/> Inclusive social development</td> <td><input type="checkbox"/> Regional cooperation</td> </tr> <tr> <td><input checked="" type="checkbox"/> Governance</td> <td><input type="checkbox"/> Private sector development</td> </tr> <tr> <td><input type="checkbox"/> Gender and development</td> <td></td> </tr> </table>	<input type="checkbox"/> Sustainable economic growth	<input type="checkbox"/> Environmental sustainability	<input type="checkbox"/> Inclusive social development	<input type="checkbox"/> Regional cooperation	<input checked="" type="checkbox"/> Governance	<input type="checkbox"/> Private sector development	<input type="checkbox"/> Gender and development	
<input type="checkbox"/> Sustainable economic growth	<input type="checkbox"/> Environmental sustainability							
<input type="checkbox"/> Inclusive social development	<input type="checkbox"/> Regional cooperation							
<input checked="" type="checkbox"/> Governance	<input type="checkbox"/> Private sector development							
<input type="checkbox"/> Gender and development								
<p>3. Coverage</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: Operations Coordination Division/South Asia Department</p>								
<p>5. Responsible ADB officer: Jordi Capdevila</p>								
<p>6. Description of assistance</p> <p>a. Background/linkage to country/regional strategy: Since September 2001, ADB has assumed a key role in the international community's efforts to plan for and assist in Afghanistan's reconstruction, drawing on ADB's experience in providing postconflict assistance in Cambodia, Sri Lanka, Tajikistan, and Timor-Leste. At the Tokyo Conference in January 2002, ADB pledged \$500 million in concessional loans and grants by June 2004. By September 2003, ADB had approved the delivery of \$325 million in loans from the Asian Development Fund and grant TA, fulfilling two thirds of its pledge.</p> <p>The overall security situation in Afghanistan remains tenuous despite 25 months of nation building following the ouster of the Taliban in November 2001. The United Nations (UN) mandated safety precautions remain in place. Other nations, development organizations, and humanitarian nongovernment organizations (NGOs) are not immune to the vagaries of this environment, or the frustrations generated by public expectations from the international community. Taliban elements are returning to the southern provinces in Afghanistan from</p>								

Pakistan border areas, and radical political and religious factions have stepped up their attacks in recent months on international representatives and NGOs. The Government of Afghanistan is unable to provide sustained security outside the immediate environs of Kabul.

In September 2003, a fact-finding mission was fielded to Afghanistan. The Mission conducted field visits to Kandahar, Mazar-e-Sharif, and Sheberghan provinces to review ongoing and planned projects, discuss security arrangements for ADB-financed projects, and meet provincial reconstruction teams (PRT). While the Mission was in Afghanistan, a particularly serious incident occurred on 7 September on the Kabul-Kandahar road near Qalat (in Zabul Province), where the security force protecting the contractor's construction work on the road was attacked by an armed group. Several members of the contractor's Afghan security force were killed in the attack. Given this development, the Mission enlisted the assistance of a security coordinator for drafting a security plan for the Kandahar-Spin Boldak road improvement project. The seriousness of the security situation in Afghanistan was again highlighted in a bomb explosion at the Intercontinental Hotel in Kabul on 22 November 2003 involving ADB staff.

To face the heightened security situation, ADB approved for the Afghanistan Resident Mission (AFRM) a resident security coordinator. The functions and role of the resident security coordinator will be complemented by this TA that aims at providing the Government the expertise for planning and improving security measures of ADB-financed projects. The coordinator will manage and coordinate the overall security and risk management plan, and will be responsible for managing and supervising this TA proposal.

b. Goal and purpose: The TA is a response to effectively address the security environment in Afghanistan. The main objective is to assist the Government to provide security for contractors, consulting firms, and NGOs working on projects funded by ADB. The specific objectives are to (i) prepare the security plans for each working site and project financed by ADB, as well as a master emergency management plan (EMP); (ii) assist the contractors and consulting firms implementing the different projects to set up the procedures required by their security plans; and (iii) support ADB's AFRM in coordinating with key agencies and organizations on security issues, through ADB AFRM's resident security coordinator.

c. Components and outputs: The TA will provide the Government with expertise for planning and improving the security measures of ADB-financed projects. The TA will provide project security plans and an EMP. The objective of the EMP and the project security plans is to provide a safe work environment for on-site personnel assigned by the contractor, subcontractors, and consulting firms. The EMP and project security plans will provide the appropriate prevention and reaction measures to cope with theft, terrorism, demonstrations, and related problems. The project security plans will include the following security measures: (i) protection of camps; (ii) medical evacuation plans; (iii) protection of work sites; (iv) protection of critical infrastructure; (v) patrols; (vi) protection of equipment and nighttime parking areas; (vii) protection of guesthouses; (viii) escorts as required; (ix) security screening of employees for the contractors, subcontractors, and consulting firms; and (x) assistance to develop and implement security contingency plans. The TA consultants will guide the contractors and consulting firms in implementing the measures described in the security plans.

In addition, the TA consultants will provide security-related information and advisories to project personnel; liaise with UN agencies, International Security Assistance Force (ISAF), coalition forces, PRTs, and NGOs on security matters; and give security briefings for contractors, subcontractors, and consulting firm personnel, and the ADB AFRM security resident coordinator, whenever required.

d. Expected results and deliverables: The heightened security situation in Afghanistan poses unique challenges in implementing ADB-financed projects, and will require that ADB go to unusual lengths to ensure the security of staff, consultants, and contractors working in the country. Doing so is necessary to comply with UN security guidelines governing the operations of international organizations with presence in Afghanistan. The TA will address these issues by assisting the Government, selected contractors, and consulting firms to plan and implement appropriate security measures, in accordance with the United Nations Minimum Operating Security Standards (MOSS) program.

e. Social or environmental issues or concerns: Potential constraints caused by the political and security situation may alter the assessed needs.

f. Plans for disseminating results/deliverables: Establishment of four regional offices offering information and assistance / briefing sessions to involved stakeholders.

<p>7. Proposed executing/implementing agency or agencies: Executing Agency: Ministry of Finance. Implementing Agency: ADB.</p>																				
<p>8. Nature/extent of government/beneficiary involvement in identifying or conceptualizing the assistance: In accordance with consulted Government officials, a security coordination committee will be established for overall guidance on TA supervision and coordination, represented by the deputy minister of the Ministry of Finance as a standing member and the deputy minister of the Ministry of Interior as an alternate member. Close consultation on security-related matters with other involved stakeholders present in the field has been pledged (mainly with the UN Field Security Office, PRTs, United Nations Assistance Mission in Afghanistan, ISAF, coalition forces, and others).</p>																				
<p>9. Timetable for assistance design, processing, and implementation</p> <p>a. Year included in CSP, CSP Update, RCSP, RCSP Update, or interregional work plan: 2004</p> <p>b. Expected date of submission for approval Lending: Nonlending (project preparatory): Nonlending (other than project preparatory): 2004</p> <p>c. Period and duration of assistance Lending: Nonlending: 24 months from start date</p>																				
<p>10. Financing Plan</p> <p>a. For lending <input type="checkbox"/> Ordinary capital resources: <input type="checkbox"/> Asian Development Fund: <input type="checkbox"/> Other:</p> <p>If cofinancing is required, indicate amount and sources sought: If known, provide cost estimates and financing arrangements.</p> <table border="1"> <thead> <tr> <th>Source</th> <th>Amount (\$)</th> </tr> </thead> <tbody> <tr> <td>ADB Financing</td> <td></td> </tr> <tr> <td>Government Financing</td> <td></td> </tr> <tr> <td>Other Financing</td> <td></td> </tr> <tr> <td>Total Cost</td> <td></td> </tr> </tbody> </table> <p>Source:</p> <p>b. For nonlending <input type="checkbox"/> No resources required, other than ADB staff <input type="checkbox"/> ADB's administrative budget: <input checked="" type="checkbox"/> Grant TA funds: TASF <input type="checkbox"/> Other:</p> <p>If cofinancing is required, indicate amount and sources sought: If known, provide cost estimates and financing arrangements.</p> <table border="1"> <thead> <tr> <th>Source</th> <th>Amount (\$)</th> </tr> </thead> <tbody> <tr> <td>ADB Financing</td> <td>990,000</td> </tr> <tr> <td>Government Financing</td> <td></td> </tr> <tr> <td>Other Financing</td> <td></td> </tr> <tr> <td>Total Cost</td> <td>990,000</td> </tr> </tbody> </table> <p>Source: ADB estimates.</p>	Source	Amount (\$)	ADB Financing		Government Financing		Other Financing		Total Cost		Source	Amount (\$)	ADB Financing	990,000	Government Financing		Other Financing		Total Cost	990,000
Source	Amount (\$)																			
ADB Financing																				
Government Financing																				
Other Financing																				
Total Cost																				
Source	Amount (\$)																			
ADB Financing	990,000																			
Government Financing																				
Other Financing																				
Total Cost	990,000																			

ADB = Asian Development Bank, CSP = country strategy and program, RCSP = regional cooperation strategy and program, TA = technical assistance, TASF = technical assistance special fund.

**Table A3.11: Capacity Building of the Ministry of Finance
Concept Paper**

Date: 1 May 2004

<p>1. Type/modality of assistance</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:</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 checked="" type="checkbox"/> Economic, thematic, and sector work</p> <p><input type="checkbox"/> Institutional development</p> <p><input type="checkbox"/> Other:</p>								
<p>2. Assistance Focus</p> <p>a. If assistance focuses on a particular sector or subsector, specify the Sector: Law and Public Sector Management Subsector: Public finance and expenditure management</p> <p>b. For project preparatory and lending, classification</p> <p><input type="checkbox"/> Core poverty intervention</p> <p><input type="checkbox"/> Poverty intervention</p> <p><input type="checkbox"/> Other</p> <p>c. Key thematic areas</p> <table> <tr> <td><input checked="" type="checkbox"/> Sustainable economic growth</td> <td><input type="checkbox"/> Environmental sustainability</td> </tr> <tr> <td><input type="checkbox"/> Inclusive social development</td> <td><input type="checkbox"/> Regional cooperation</td> </tr> <tr> <td><input checked="" type="checkbox"/> Governance</td> <td><input type="checkbox"/> Private sector development</td> </tr> <tr> <td><input type="checkbox"/> Gender and development</td> <td></td> </tr> </table>	<input checked="" type="checkbox"/> Sustainable economic growth	<input type="checkbox"/> Environmental sustainability	<input type="checkbox"/> Inclusive social development	<input type="checkbox"/> Regional cooperation	<input checked="" type="checkbox"/> Governance	<input type="checkbox"/> Private sector development	<input type="checkbox"/> Gender and development	
<input checked="" type="checkbox"/> Sustainable economic growth	<input type="checkbox"/> Environmental sustainability							
<input type="checkbox"/> Inclusive social development	<input type="checkbox"/> Regional cooperation							
<input checked="" type="checkbox"/> Governance	<input type="checkbox"/> Private sector development							
<input type="checkbox"/> Gender and development								
<p>3. Coverage</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: Operations Coordination Division / South Asia Department</p>								
<p>5. Responsible ADB officer: Craig Steffensen</p>								
<p>6. Description of assistance</p> <p>a. Background/linkage to country/regional strategy: Following the departure of the Taliban regime in Afghanistan in fall 2001, the international community made far-reaching commitments to assist Afghanistan with its development. They included pledges of up to \$4.5 billion for 5 years made at the International Conference on Reconstruction held in Tokyo in January 2002, and more recently pledges of \$8.2 billion at the international conference on Afghanistan held in Berlin during 31 March – 1 April 2004.</p> <p>The Ministry of Finance (MOF) of the Government of Afghanistan is a central player in the macroeconomic and financial management of the country. To establish a strong fiscal management regime with the efficient use of external assistance, the MOF minister outlined an ambitious reform agenda for all key areas of responsibility of the ministry. It included (i) fiscal policy, (ii) budget preparation and execution, (iii) revenue policy and revenue collection, (iv) customs reform, and (v) broader economic restructuring such as privatization of defunct state-owned enterprises (SOEs) as well as reform of the payroll and pension systems.</p>								

ADB's Country Strategy and Program Update for 2004–2006, as well as its predecessor, has strongly supported governance and financial sector reforms, through a program loan (Postconflict Multisector Program loan approved in December 2002) as well as technical assistance (TA) projects. Under TA cluster 3874, approved in May 2002, a number of advisors were provided to MOF to build the capacity of government counterparts to (i) coordinate and efficiently utilize external assistance across sectors; (ii) assist the Finance minister and deputy minister to develop policies and implement a reform program; (iii) provide specialized services in areas such as budgeting, procurement, and auditing; and iv) provide on-the-job training to MOF employees.

The previous TA's success can be gauged by a number of major achievements. First, the Government has successfully formulated both a recurrent and a development budget for two successive fiscal years. It has played a lead role in reassessing the resources needed to enable the Government to provide basic social services to the Afghan people on a sustainable basis. In addition, the TA advisors have played a vital role in restructuring the financial sector, and in creating conditions for promoting private sector investment.

b. Goal and purpose: The goal of this TA is to strengthen the macroeconomic management capacity of the Government of Afghanistan. The purpose is to continue strengthening the capacity of MOF in its key functions such as development of the national budget (both operational/recurrent as well as development), budget execution, revenue generation, and expenditure management, as well as implement needed reforms.

c. Components and outputs: Four advisors (two long-term and two short-term) will provide technical assistance to the minister, deputy minister, as well as the head of the Treasury Unit, Debt Sustainability Unit, and the Grant Management Unit as needed during SY1383 (2004/2005) and SY1384 (2005/2006).

d. Expected results and deliverables:

- Enhanced recurrent budget financing (e.g., through tax policy reforms, tax administration, customs reform) and budget execution (e.g., cash management, expenditure control)
- Formulation and management of the development budget
- Human resource management
- Facilitation and monitoring of reform activities supported by multilateral and bilateral institutions
- Strengthening of financial and economic databases
- Continued adherence to a no-deficit financing policy
- Strengthening central-provincial fiscal relations and management systems

e. Social or environmental issues or concerns: Positive social benefits are expected to be attained with the efficient use of resources. The TA project has no adverse environmental effects.

f. Plans for disseminating results/deliverables: The results of the TA will be reported in the regular TA progress reports. Results/experiences will also be shared with other multilateral and bilateral agencies.

7. Proposed executing/implementing agency or agencies: MOF

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

MOF has requested ADB to continue with the provision of this advisory TA. The consultants have performed well in the past and continue to provide reliable services to senior management in the ministry.

9. Timetable for assistance design, processing, and implementation

- a. Year included in CSP, CSP Update, RCSP, RCSP Update, or interregional work plan: 2004
- b. Expected date of submission for approval
 - Lending:
 - Nonlending (project preparatory):
 - Nonlending (other than project preparatory): 26 July 2004
- c. Period and duration of assistance
 - Lending:
 - Nonlending: July 2004-June 2005

10. Financing Plan

a. For lending

- Ordinary capital resources: \$
 Asian Development Fund: \$
 Other:

If cofinancing is required, indicate amount and sources sought: \$____, from _____.
 If known, provide cost estimates and financing arrangements.

Source	Amount (\$)
ADB Financing	
Government Financing	
Other Financing	
Total Cost	

Source:

b. For nonlending

- No resources required, other than ADB staff
 ADB's administrative budget: \$
 Grant TA funds: TASF
 Other: AusAID

If cofinancing is required, indicate amount and sources sought: \$210,000, from AusAID
 If known, provide cost estimates and financing arrangements.

Source	Amount (\$)
ADB Financing	1,510,000
Government Financing	
Other Financing	210,000
Total Cost	1,720,000

Source:

ADB = Asian Development Bank, AusAID = Australian Agency for International Development, CSP = country strategy and program, RCSP = regional cooperation strategy and program, TA = technical assistance, TASF = technical assistance special fund.

**Table A3.12: Master Plan for Road Network Improvement Project Phase I
Concept Paper**

Date: 1 May 2004

<p>1. Type/modality of assistance</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:</p> <p><input checked="" type="checkbox"/> Nonlending</p> <p> <input checked="" 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:</p>								
<p>2. Assistance Focus</p> <p>a. If assistance focuses on a particular sector or subsector, specify the Sector: Transport and Communications Subsector: Roads and highways</p> <p>b. For project preparatory and lending, classification</p> <p> <input checked="" type="checkbox"/> Core poverty intervention</p> <p> <input type="checkbox"/> Poverty intervention</p> <p> <input type="checkbox"/> Other</p> <p>c. Key thematic areas</p> <table border="0"> <tr> <td><input checked="" type="checkbox"/> Sustainable economic growth</td> <td><input type="checkbox"/> Environmental sustainability</td> </tr> <tr> <td><input checked="" type="checkbox"/> Inclusive social development</td> <td><input type="checkbox"/> Regional cooperation</td> </tr> <tr> <td><input type="checkbox"/> Governance</td> <td><input type="checkbox"/> Private sector development</td> </tr> <tr> <td><input type="checkbox"/> Gender and development</td> <td></td> </tr> </table>	<input checked="" type="checkbox"/> Sustainable economic growth	<input type="checkbox"/> Environmental sustainability	<input checked="" type="checkbox"/> Inclusive social development	<input type="checkbox"/> Regional cooperation	<input type="checkbox"/> Governance	<input type="checkbox"/> Private sector development	<input type="checkbox"/> Gender and development	
<input checked="" type="checkbox"/> Sustainable economic growth	<input type="checkbox"/> Environmental sustainability							
<input checked="" type="checkbox"/> Inclusive social development	<input type="checkbox"/> Regional cooperation							
<input type="checkbox"/> Governance	<input type="checkbox"/> Private sector development							
<input type="checkbox"/> Gender and development								
<p>3. Coverage</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: Transport and Communications Division/South Asia Department</p>								
<p>5. Responsible ADB officer: Hiroaki Yamaguchi</p>								
<p>6. Description of assistance(s)</p> <p>a. Background/linkage to country/regional strategy: Much of the road infrastructure in Afghanistan was severely damaged during the two decades of civil strife. The Government declared that reconstructing/rehabilitating the road network is the country's top priority. Since 2002, the Government, with external assistance, has made massive efforts to reestablish the national primary road network consisting largely of the 2,200 kilometers ring road and links to neighboring countries. As the Herat-Andkhoy Road Project, which is programmed for lending in 2004, will complete the last unimproved section of the ring road, the Government has requested ADB to identify a new set of road projects that would further enhance the capability of the country's road network and best facilitate the nation's economic recovery and social integration. As a prerequisite to identifying such projects, the Government also requested ADB to conduct a comprehensive study to prepare a road master plan that will set out a road network development strategy and program over the next 5-10 years with due consideration to financing requirements of operation and maintenance. The geographical focus will be on the central mountain region and other areas currently underserved by the national</p>								

primary road network, so as to provide connectivity to potential centers of economic activities such as mines and gas fields. Improvement of the east–west corridor to connect Herat to Kabul, the feasibility study of which has been programmed for 2004 in the CSPU 2003–2005, will be studied as one of the alternatives. In addition to this corridor, two north-south corridors passing through the central mountain region will be considered for prioritization, among other possible corridors.

b. Goal and purpose: The primary goal of the project preparatory technical assistance will be to (i) prepare a road master plan, and (ii) conduct a feasibility study for road projects that are accorded high priority in the plan. The feasibility study will result in a modern, efficient two-lane highway with good riding quality.

c. Components and outputs:

- The road master plan component to study and prioritize national primary roads including financing requirements of operation and maintenance
- The feasibility study component to prepare investment projects for possible loan financing in 2005

d. Expected results and deliverables:

- The road master plan to map out a road network development strategy and program over the next 5–10 year period
- Feasibility study of high-priority national primary road projects

e. Social or environmental issues or concerns: To be identified through project preparation

f. Plans for disseminating results/deliverables: Project progress review meetings

7. Proposed executing/implementing agency or agencies: Ministry of Public Works (MPW)

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

Consultative discussions with officials of MPW and Ministry of Finance

9. Timetable for assistance design, processing, and implementation

- a. Year included in CSP, CSP Update, RCSP, RCSP Update, or interregional work plan: Combined two TAs in CSPU 2003-2005
- b. Expected date of submission for approval
 Lending:
 Nonlending (project preparatory): July 2004
 Nonlending (other than project preparatory):
- c. Period and duration of assistance
 Lending:
 Nonlending: 15 months from November 2004

10. Financing Plan

- a. For lending
- Ordinary capital resources: \$
 - Asian Development Fund: \$
 - Other: \$

If cofinancing is required, indicate amount and sources sought: \$____, from _____.

If known, provide cost estimates and financing arrangements.

Source	Amount (\$)
ADB Financing	
Government Financing	
Other Financing	
Total Cost	
Source:	

b. For nonlending

- No resources required, other than ADB staff
- ADB's administrative budget: \$
- Grant TA funds: TASF
- Other:

If cofinancing is required, indicate amount and sources sought: \$____, from _____.
 If known, provide cost estimates and financing arrangements.

Source	Amount (\$)
ADB Financing	2 million
Government Financing	
Other Financing	
Total Cost	2 million

Source:

ADB = Asian Development Bank, CSP = country strategy and program, CSPU = country strategy and program update, RCSP = regional cooperation strategy and program, TA = technical assistance, TASF = technical assistance special fund.

**Table A3.13: Improving Agriculture and Natural Resource Management and Planning
Concept Paper**

Date: 10 June 2004

<p>1. Type/modality of assistance</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:</p> <p><input checked="" type="checkbox"/> Nonlending</p> <p><input type="checkbox"/> Project preparatory</p> <p><input checked="" 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:</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: Agriculture sector development</p> <p>b. For project preparatory and lending, classification</p> <p><input type="checkbox"/> Core poverty intervention</p> <p><input checked="" type="checkbox"/> Poverty intervention</p> <p><input type="checkbox"/> Other</p> <p>c. Key thematic areas</p> <table> <tr> <td><input checked="" type="checkbox"/> Sustainable economic growth</td> <td><input checked="" type="checkbox"/> Environmental sustainability</td> </tr> <tr> <td><input type="checkbox"/> Inclusive social development</td> <td><input type="checkbox"/> Regional cooperation</td> </tr> <tr> <td><input checked="" type="checkbox"/> Governance</td> <td><input type="checkbox"/> Private sector development</td> </tr> <tr> <td><input type="checkbox"/> Gender and development</td> <td></td> </tr> </table>	<input checked="" type="checkbox"/> Sustainable economic growth	<input checked="" type="checkbox"/> Environmental sustainability	<input type="checkbox"/> Inclusive social development	<input type="checkbox"/> Regional cooperation	<input checked="" type="checkbox"/> Governance	<input type="checkbox"/> Private sector development	<input type="checkbox"/> Gender and development	
<input checked="" type="checkbox"/> Sustainable economic growth	<input checked="" type="checkbox"/> Environmental sustainability							
<input type="checkbox"/> Inclusive social development	<input type="checkbox"/> Regional cooperation							
<input checked="" type="checkbox"/> Governance	<input type="checkbox"/> Private sector development							
<input type="checkbox"/> Gender and development								
<p>3. Coverage</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: Afghanistan Resident Mission / South Asia Department</p>								
<p>5. Responsible ADB officer: Allan Kelly</p>								
<p>6. Description of assistance</p> <p>a. Background/linkage to country/regional strategy: The agriculture and natural resource management sector is the key economic sector in Afghanistan, with the majority of the population dependent on the sector for their livelihoods. Since 2002, the sector ministries (Ministry of Agriculture and Animal Husbandry [MAAH] and Ministry of Irrigation, Water Resources and Environment [MIWRE]) have prepared sector policy and strategic frameworks as bases for sector development in line with the Government's policy agenda, as outlined in the National Development Framework. Development budgets have been prepared as part of the public investment program process. In line with planned civil service reforms, the ministries have initiated the priority reform and restructuring (PRR) process, with stage 1 being undertaken by both ministries, MIWRE has made very significant progress with stage 2 reforms, while MAAH has yet to initiate this stage. Implementation of institutional reforms and reorganization will be essential to efficient service delivery.</p>								

The Government recognizes that the agriculture and natural resource management sector is a priority sector, and that development partner support is essential for the sector to achieve its potential. The Government's Securing Afghanistan's Future Report (April 2004), prepared before the Berlin Conference on Afghanistan (April 2004), highlights the importance of the sector and gives a detailed 12-year sector investment program. ADB has been supporting the sector since 2002, as one of the priority sectors under its program in Afghanistan. ADB has provided technical assistance (TA) to support agriculture and natural resource policy and planning, preparatory work for emergency irrigation rehabilitation interventions, and institutional reform and capacity building. Support will be proposed for assistance in land policy development and land administration. Loan support has been provided for an emergency irrigation rehabilitation project (\$15 million), and through the 2004 agriculture sector program loan (\$55 million), which will support sector policy and institutional reforms. While this support has assisted the ministries in undertaking key initial steps, additional support is required to further strengthen the policy, planning, and management systems in the sector institutions.

b. Goal and purpose: The TA goal is to help the Government improve sector efficiency, and promote economic growth and rural livelihoods. The purpose is to help the Government improve sector/subsector policy, planning, and management capacities and functions.

c. Components and outputs: Specific TA outcomes will be (i) improved capacities within the policy, planning, and resource management departments; (ii) development and implementation of key subsector policies; and (iii) institutionalization of processes to support these functions.

d. Expected results and deliverables: The TA will assist in improving sector efficiency and performance, through improved sector policy, planning, and management.

e. Social or environmental issues or concerns: The TA will have a positive environmental impact by improving the sector/subsector resource management policy and the adoption of sustainable resource management. The improved planning systems will also have the potential to improve decision making and prioritization of projects in terms of environmental impacts and the targeting of specific groups to improve livelihoods and reduce poverty.

f. Plans for disseminating results/deliverables: The TA will produce reports and strategic papers for wide dissemination, and will incorporate a workshop program to ensure active participation of all stakeholders in the policy and planning process.

7. Proposed executing/implementing agency or agencies: MAAH and MIWRE

8. Nature/extent of government/beneficiary involvement in identifying or conceptualizing the assistance:
The TA and detailed terms of reference will be developed in consultation with the ministries.

9. Timetable for assistance design, processing, and implementation

- a. Year included in CSP, CSP Update, RCSP, RCSP Update, or interregional work plan: 2004
- b. Expected date of submission for approval
 - Nonlending (project preparatory): 2004
 - Nonlending (other than project preparatory):
- c. Period and duration of assistance
 - Nonlending: 2005

10. Financing Plan

- a. For lending
 - Ordinary capital resources: \$
 - Asian Development Fund:
 - Other:

If cofinancing is required, indicate amount and sources sought: \$____, from _____.
If known, provide cost estimates and financing arrangements.

Source	Amount (\$)
ADB Financing	
Government Financing	
Other Financing	
Total Cost	
Source:	

b. For nonlending

No resources required, other than ADB staff

ADB's administrative budget: \$

Grant TA funds: TASF

Other:

If cofinancing is required, indicate amount and sources sought: \$____, from _____.

If known, provide cost estimates and financing arrangements.

Source	Amount (\$)
ADB Financing	1.2 million
Government Financing	
Other Financing	
Total Cost	1.2 million
Source:	

ADB = Asian Development Bank, CSP = country strategy and program, RCSP = regional cooperation strategy and program, TA = technical assistance, TASF = technical assistance special fund.

**Table A3.14: Institutional Strengthening of Ministry of Water and Power
Concept Paper**

Date: 13 May 2004

<p>1. Type/modality of assistance</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:</p> <p><input checked="" type="checkbox"/> Nonlending</p> <p><input type="checkbox"/> Project preparatory</p> <p><input checked="" 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:</p>								
<p>2. Assistance Focus</p> <p>a. If assistance focuses on a particular sector or subsector, specify the Sector: Energy Subsector: Energy sector development and reforms</p> <p>b. For project preparatory and lending, classification</p> <p><input type="checkbox"/> Core poverty intervention</p> <p><input type="checkbox"/> Poverty intervention</p> <p><input type="checkbox"/> Other</p> <p>c. Key thematic areas</p> <table border="0"> <tr> <td><input checked="" type="checkbox"/> Sustainable economic growth</td> <td><input type="checkbox"/> Environmental sustainability</td> </tr> <tr> <td><input type="checkbox"/> Inclusive social development</td> <td><input type="checkbox"/> Regional cooperation</td> </tr> <tr> <td><input checked="" type="checkbox"/> Governance</td> <td><input type="checkbox"/> Private sector development</td> </tr> <tr> <td><input type="checkbox"/> Gender and development</td> <td></td> </tr> </table>	<input checked="" type="checkbox"/> Sustainable economic growth	<input type="checkbox"/> Environmental sustainability	<input type="checkbox"/> Inclusive social development	<input type="checkbox"/> Regional cooperation	<input checked="" type="checkbox"/> Governance	<input type="checkbox"/> Private sector development	<input type="checkbox"/> Gender and development	
<input checked="" type="checkbox"/> Sustainable economic growth	<input type="checkbox"/> Environmental sustainability							
<input type="checkbox"/> Inclusive social development	<input type="checkbox"/> Regional cooperation							
<input checked="" type="checkbox"/> Governance	<input type="checkbox"/> Private sector development							
<input type="checkbox"/> Gender and development								
<p>3. Coverage</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: Energy Division / South Asia Department</p>								
<p>5. Responsible ADB officer: Sohail Hasnie</p>								
<p>6. Description of assistance</p> <p>a. Background/linkage to country/regional strategy: After 2 decades of conflict, the institutional capacity of the Ministry of Water and Power (MWP) has been adversely affected. The TA conforms with the initial country strategy and program update and directly supports the thematic priorities involving economic growth and good governance in the power sector.</p> <p>b. Goal and purpose: The institutional capacity of MWP to operate more efficiently and effectively will be strengthened.</p> <p>c. Components and outputs: The TA will prepare an action plan to strengthen MWP in financial management, planning, design, implementation, and operation and maintenance. Overseas study tours and training will be conducted to expose MWP staff to best practices and modern technology.</p>								

d. Expected results and deliverables: With institutional strengthening, MWP can operate more efficiently and effectively. An appropriate tariff structure will be established to more closely reflect the cost of supply. Billing and collection will be improved to generate funds for operation and maintenance.

e. Social or environmental issues or concerns: None

f. Plans for disseminating results/deliverables: Workshop and seminars will be held. The findings will also be shared during the consultative group meetings on power with other development partners.

7. Proposed executing/implementing agency or agencies: MWP

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

The Government requested the assistance.

9. Timetable for assistance design, processing, and implementation

a. Year included in CSP, CSP Update, RCSP, RCSP Update, or interregional work plan: 2004

b. Expected date of submission for approval

Lending:

Nonlending (project preparatory):

Nonlending (other than project preparatory): 2005

c. Period and duration of assistance

Lending:

Nonlending: 10 months from start date

10. Financing Plan

a. For lending

Ordinary capital resources:

Asian Development Fund:

Other:

If cofinancing is required, indicate amount and sources sought: \$____, from _____.

If known, provide cost estimates and financing arrangements.

Source	Amount (\$)
ADB Financing	
Government Financing	
Other Financing	
Total Cost	

Source:

b. For nonlending

No resources required, other than ADB staff

ADB's administrative budget:

Grant TA funds: TASF

Other:

If cofinancing is required, indicate amount and sources sought: \$____, from _____.

If known, provide cost estimates and financing arrangements.

Source	Amount (\$)
ADB Financing	750,000
Government Financing	
Other Financing	
Total Cost	750,000

Source: Asian Development Bank estimates.

ADB = Asian Development Bank, CSP = country strategy and program, RCSP = regional cooperation strategy and program, TA = technical assistance, TASF = technical assistance special fund.

**Table A3.15: Feasibility Study to Develop and Rehabilitate Gas Producing Wells and Repair Gas Pipelines
Concept Paper**

Date: 18 May 2004

<p>1. Type/modality of assistance</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:</p> <p><input checked="" type="checkbox"/> Nonlending</p> <p><input checked="" 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:</p>								
<p>2. Assistance Focus</p> <p>a. If assistance focuses on a particular sector or subsector, specify the Sector: Energy Subsector: Conventional energy generation</p> <p>b. For project preparatory and lending, classification</p> <p><input type="checkbox"/> Core poverty intervention</p> <p><input checked="" type="checkbox"/> Poverty intervention</p> <p><input type="checkbox"/> Other</p> <p>c. Key thematic areas</p> <table border="0"> <tr> <td><input checked="" type="checkbox"/> Sustainable economic growth</td> <td><input type="checkbox"/> Environmental sustainability</td> </tr> <tr> <td><input type="checkbox"/> Inclusive social development</td> <td><input type="checkbox"/> Regional cooperation</td> </tr> <tr> <td><input type="checkbox"/> Governance</td> <td><input checked="" type="checkbox"/> Private sector development</td> </tr> <tr> <td><input type="checkbox"/> Gender and development</td> <td></td> </tr> </table>	<input checked="" type="checkbox"/> Sustainable economic growth	<input type="checkbox"/> Environmental sustainability	<input type="checkbox"/> Inclusive social development	<input type="checkbox"/> Regional cooperation	<input type="checkbox"/> Governance	<input checked="" type="checkbox"/> Private sector development	<input type="checkbox"/> Gender and development	
<input checked="" type="checkbox"/> Sustainable economic growth	<input type="checkbox"/> Environmental sustainability							
<input type="checkbox"/> Inclusive social development	<input type="checkbox"/> Regional cooperation							
<input type="checkbox"/> Governance	<input checked="" type="checkbox"/> Private sector development							
<input type="checkbox"/> Gender and development								
<p>3. Coverage</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: Energy Division / South Asia Department</p>								
<p>5. Responsible ADB officer: Najeeb Jung</p>								
<p>6. Description of assistance</p> <p>a. Background/linkage to country/regional strategy: The strategy of ADB and the Government is to rehabilitate the damaged gas production and transmission facilities in the gas sector. The country's existing infrastructure is badly destroyed and the TA will help develop the project for its rehabilitation.</p> <p>b. Goal and purpose: The goal is to develop a project that will increase gas production and improve the transmission facilities.</p> <p>c. Components and outputs: The outputs will include detailed technical plans for gas field rehabilitation, repair of wells, and transmission pipelines.</p>								

<p>d. Expected results and deliverables: A detailed socio/techno/economic report leading to project development.</p> <p>e. Social or environmental issues or concerns: Nil.</p> <p>f. Plans for disseminating results/deliverables: Seminars, workshops, and meetings with all stakeholders and the Government.</p>																				
<p>7. Proposed executing/implementing agency or agencies: Afghan Gas Company / Ministry of Mines and Industry</p>																				
<p>8. Nature/extent of government/beneficiary involvement in identifying or conceptualizing the assistance: The Government is committed to the repair and rehabilitation of gas wells and transmission facilities.</p>																				
<p>9. Timetable for assistance design, processing, and implementation</p> <p>a. Year included in CSP, CSP Update, RCSP, RCSP Update, or interregional work plan: 2004–2006</p> <p>b. Expected date of submission for approval Lending: Nonlending (project preparatory): March 2005 Nonlending (other than project preparatory):</p> <p>c. Period and duration of assistance Lending: Nonlending: 9 months (March–December 2005)</p>																				
<p>10. Financing Plan</p> <p>a. For lending <input type="checkbox"/> Ordinary capital resources: \$ <input type="checkbox"/> Asian Development Fund: \$ <input type="checkbox"/> Other: \$</p> <p>If cofinancing is required, indicate amount and sources sought: \$____, from _____. If known, provide cost estimates and financing arrangements.</p> <table border="1"> <thead> <tr> <th>Source</th> <th>Amount (\$)</th> </tr> </thead> <tbody> <tr> <td>ADB Financing</td> <td></td> </tr> <tr> <td>Government Financing</td> <td></td> </tr> <tr> <td>Other Financing</td> <td></td> </tr> <tr> <td>Total Cost</td> <td></td> </tr> </tbody> </table> <p>Source:</p> <p>b. For nonlending <input type="checkbox"/> No resources required, other than ADB staff <input type="checkbox"/> ADB's administrative budget: \$ <input checked="" type="checkbox"/> Grant TA funds: TASF <input type="checkbox"/> Other:</p> <p>If cofinancing is required, indicate amount and sources sought: \$____, from _____. If known, provide cost estimates and financing arrangements.</p> <table border="1"> <thead> <tr> <th>Source</th> <th>Amount (\$)</th> </tr> </thead> <tbody> <tr> <td>ADB Financing</td> <td>1 million</td> </tr> <tr> <td>Government Financing</td> <td></td> </tr> <tr> <td>Other Financing</td> <td></td> </tr> <tr> <td>Total Cost</td> <td>1 million</td> </tr> </tbody> </table> <p>Source:</p>	Source	Amount (\$)	ADB Financing		Government Financing		Other Financing		Total Cost		Source	Amount (\$)	ADB Financing	1 million	Government Financing		Other Financing		Total Cost	1 million
Source	Amount (\$)																			
ADB Financing																				
Government Financing																				
Other Financing																				
Total Cost																				
Source	Amount (\$)																			
ADB Financing	1 million																			
Government Financing																				
Other Financing																				
Total Cost	1 million																			

ADB = Asian Development Bank, CSP = country strategy and program, RCSP = regional cooperation strategy and program, TA = technical assistance, TASF = technical assistance special fund.

**Table A3.16: Private Investment Support Facility
Concept Paper**

Date: 24 May 2004

<p>1. Type/modality of assistance</p> <ul style="list-style-type: none"> <input type="checkbox"/> Lending <ul style="list-style-type: none"> <input type="checkbox"/> Project loan <input type="checkbox"/> Program loan <input type="checkbox"/> Sector loan <input type="checkbox"/> Sector development program loan <input type="checkbox"/> Other: <input checked="" type="checkbox"/> Nonlending <ul style="list-style-type: none"> <input checked="" type="checkbox"/> Project preparatory <input checked="" type="checkbox"/> Other than project preparatory <ul style="list-style-type: none"> <input type="checkbox"/> Economic, thematic, and sector work <input type="checkbox"/> Institutional development <input checked="" type="checkbox"/> Other 						
<p>2. Assistance Focus</p> <p>a. If assistance focuses on a particular sector or subsector, specify the Sector: Finance Subsector: Finance sector development and reforms</p> <p>b. For project preparatory and lending, classification</p> <ul style="list-style-type: none"> <input type="checkbox"/> Core poverty intervention <input type="checkbox"/> Poverty intervention <input checked="" type="checkbox"/> Other <p>c. Key thematic areas</p> <table style="width: 100%; border: none;"> <tr> <td style="width: 50%; vertical-align: top;"> <ul style="list-style-type: none"> <input checked="" type="checkbox"/> Sustainable economic growth <input type="checkbox"/> Inclusive social development <input type="checkbox"/> Governance <input type="checkbox"/> Gender and development </td> <td style="width: 50%; vertical-align: top;"> <ul style="list-style-type: none"> <input type="checkbox"/> Environmental sustainability <input type="checkbox"/> Regional cooperation <input checked="" type="checkbox"/> Private sector development </td> </tr> </table>	<ul style="list-style-type: none"> <input checked="" type="checkbox"/> Sustainable economic growth <input type="checkbox"/> Inclusive social development <input type="checkbox"/> Governance <input type="checkbox"/> Gender and development 	<ul style="list-style-type: none"> <input type="checkbox"/> Environmental sustainability <input type="checkbox"/> Regional cooperation <input checked="" type="checkbox"/> Private sector development 				
<ul style="list-style-type: none"> <input checked="" type="checkbox"/> Sustainable economic growth <input type="checkbox"/> Inclusive social development <input type="checkbox"/> Governance <input type="checkbox"/> Gender and development 	<ul style="list-style-type: none"> <input type="checkbox"/> Environmental sustainability <input type="checkbox"/> Regional cooperation <input checked="" type="checkbox"/> Private sector development 					
<p>3. Coverage</p> <table style="width: 100%; border: none;"> <tr> <td style="width: 33%;"><input checked="" type="checkbox"/> Country</td> <td style="width: 33%;"><input type="checkbox"/> Subregional</td> <td style="width: 33%;"><input type="checkbox"/> Interregional</td> </tr> <tr> <td colspan="3"><input type="checkbox"/> Internal policy development</td> </tr> </table>	<input checked="" type="checkbox"/> Country	<input type="checkbox"/> Subregional	<input type="checkbox"/> Interregional	<input type="checkbox"/> Internal policy development		
<input checked="" type="checkbox"/> Country	<input type="checkbox"/> Subregional	<input type="checkbox"/> Interregional				
<input type="checkbox"/> Internal policy development						
<p>4. Responsible division/department: Infrastructure Finance Division / Private Sector Operations Department</p>						
<p>5. Responsible ADB officer: Takeo Koike</p>						
<p>6. Description of assistance</p> <p>a. Background/linkage to country/regional strategy: ADB supports the Government strategy of a private sector-led economic recovery. There is a need for vast amounts of financial resources and institutional capacity to reconstruct and develop Afghanistan, and it is preferable, to the extent feasible, to introduce private sector investments particularly to large-scale development. Significant interest in opportunities in Afghanistan among the investor community can also be strategically tapped.</p> <p>b. Goal and purpose: The proposed TA aims to promote the economic growth of Afghanistan by facilitating private sector participation in reconstructing and developing the country's key sectors. The purposes are (i) to provide advisory services to potential investors for the selected key sectors, (ii) to co-invest in the proposed industrial parks with United States Agency for International Development (USAID), and (iii) to conduct activities to increase private sector awareness of investment in Afghanistan.</p>						

<p>c. Components and outputs:</p> <p>(i) Advisory services for the selected key sectors: This will include feasibility studies and various advisory services (legal, financial, governance, environmental, social, etc.) for the projects in the cement, energy, agribusiness, housing, and industrial park sectors. Despite huge needs and potential opportunities in these sectors, lack of information and relevant advisory services are some hurdles to overcome for the projects in Afghanistan to take off. Many of the local project sponsors do not possess in-house capacity to generate the information to potential partners or lenders, or need access to external advisory services to materialize projects. Making feasibility studies and advisory services available to these projects will result in better designed projects and attract more investors. The feasibility studies will be undertaken on a “sponsor-unspecific” basis to ensure competition for projects. Selection of projects and form of assistance will be undertaken in coordination with ADB’s South Asia Department (SARD) and other development partners.</p> <p>(ii) Co-investment in the proposed industrial parks with USAID: This will include development and operation of industrial parks near Mazar-e-Sharif and near Kabul. The Government is very keen to set up the industrial parks, and has formed an interministerial commission comprising the ministers of commerce, finance, urban development and the Central Bank President. The US Embassy, USAID, and the United States Trade and Development Agency (USTDA) have also been assisting the Government, and are willing to work with ADB. Industrial parks will provide an attractive and vibrant business environment to the private sector, and allow investors to manage risks, lower up-front capital costs, accelerate project start-up, and adapt facility size to market demand. Industrial parks address the major concerns of potential investors, including security, land tenure and affordability, government interference, availability of reliable utilities, and access to skilled labor. The co-investment will be made under close coordination with the operations of USAID and SARD.</p> <p>(iii) Increasing the private sector awareness: Workshops, seminars, and conferences will be held for a wider range of audience inside and outside Afghanistan to promote private sector investment in Afghanistan. It is crucial for Afghanistan to raise international private sector profile through these activities.</p> <p>d. Expected results and deliverables: (i) As part of advisory services, ADB and selected projects will have various reports analyzing the projects’ bankability and environmental/social impacts. Continuous advisory assistance will also be available to the projects. (ii) Co-investment with USAID will cover the cost of installing basic infrastructure at the sites of industrial parks and the operation of the industrial parks.</p> <p>e. Social or environmental issues or concerns: Nil.</p> <p>f. Plans for disseminating results/deliverables: Various reports will be shared with the potential investors. Workshops and seminars will be also planned inside and outside Afghanistan to promote private sector investments in the country.</p>
<p>7. Proposed executing/implementing agency or agencies: Asian Development Bank</p>
<p>8. Nature/extent of government/beneficiary involvement in identifying or conceptualizing the assistance: Consultations have been carried out with the Government and development partners.</p>
<p>9. Timetable for assistance design, processing, and implementation</p> <p>a. Year included in CSP, CSP Update, RCSP, RCSP Update, or interregional work plan: 2004</p> <p>b. Expected date of submission for approval</p> <p style="padding-left: 20px;">Lending:</p> <p style="padding-left: 40px;">Nonlending (project preparatory): 2004</p> <p style="padding-left: 40px;">Nonlending (other than project preparatory): 2004</p> <p>c. Period and duration of assistance</p> <p style="padding-left: 20px;">Lending:</p> <p style="padding-left: 20px;">Nonlending: 18 months</p>
<p>10. Financing Plan</p> <p>a. For lending</p> <p style="padding-left: 20px;"><input type="checkbox"/> Ordinary capital resources:</p> <p style="padding-left: 20px;"><input type="checkbox"/> Asian Development Fund:</p> <p style="padding-left: 20px;"><input type="checkbox"/> Other:</p>

If cofinancing is required, indicate amount and sources sought: \$_____, from _____.
 If known, provide cost estimates and financing arrangements.

Source	Amount (\$)
ADB Financing	
Government Financing	
Other Financing	
Total Cost	

Source:

- b. For nonlending
- No resources required, other than ADB staff
 - ADB's administrative budget:
 - Grant TA funds: TASF
 - Other:

If cofinancing is required, indicate amount and sources sought: \$_____, from _____.
 If known, provide cost estimates and financing arrangements.

Source	Amount (\$)
ADB Financing	2,000,000
Government Financing	200,000
Other Financing (USAID)	1,500,000
Total Cost	3,700,000

Source: ADB staff estimates.

ADB = Asian Development Bank, CSP = country strategy and program, RCSP = regional cooperation strategy and program, TA = technical assistance, TASF = technical assistance special fund.

**Table A3.17: Poverty Assessment of the Islamic Republic of Afghanistan
Concept Paper**

Date: 1 May 2004

<p>1. Type/modality of assistance</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:</p> <p><input checked="" type="checkbox"/> Nonlending</p> <p><input type="checkbox"/> Project preparatory</p> <p><input checked="" type="checkbox"/> Other than project preparatory</p> <p><input checked="" type="checkbox"/> Economic, thematic, and sector work</p> <p><input type="checkbox"/> Institutional development</p> <p><input type="checkbox"/> Other:</p>								
<p>2. Assistance Focus</p> <p>a. If assistance focuses on a particular sector or subsector, specify the Sector: Law and Public Sector Management Subsector: Economic Management</p> <p>b. For project preparatory and lending, classification</p> <p><input type="checkbox"/> Core poverty intervention</p> <p><input type="checkbox"/> Poverty intervention</p> <p><input type="checkbox"/> Other</p> <p>c. Key thematic areas</p> <table> <tr> <td><input type="checkbox"/> Sustainable economic growth</td> <td><input type="checkbox"/> Environmental sustainability</td> </tr> <tr> <td><input checked="" type="checkbox"/> Inclusive social development</td> <td><input type="checkbox"/> Regional cooperation</td> </tr> <tr> <td><input type="checkbox"/> Governance</td> <td><input type="checkbox"/> Private sector development</td> </tr> <tr> <td><input checked="" type="checkbox"/> Gender and development</td> <td></td> </tr> </table>	<input type="checkbox"/> Sustainable economic growth	<input type="checkbox"/> Environmental sustainability	<input checked="" type="checkbox"/> Inclusive social development	<input type="checkbox"/> Regional cooperation	<input type="checkbox"/> Governance	<input type="checkbox"/> Private sector development	<input checked="" type="checkbox"/> Gender and development	
<input type="checkbox"/> Sustainable economic growth	<input type="checkbox"/> Environmental sustainability							
<input checked="" type="checkbox"/> Inclusive social development	<input type="checkbox"/> Regional cooperation							
<input type="checkbox"/> Governance	<input type="checkbox"/> Private sector development							
<input checked="" type="checkbox"/> Gender and development								
<p>3. Coverage</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: Operations Coordination Division / South Asia Department</p>								
<p>5. Responsible ADB officer: To be determined</p>								
<p>6. Description of assistance</p> <p>a. Background/linkage to country/regional strategy: ADB conducts a number of thematic studies to inform its strategy and development program for a country. One critical study in this regard is a national-level, multidimensional poverty assessment. The assessment is important not only to gauge the impact of past government policies and programs (supported by agencies such as ADB) on the well-being of citizens, but to also identify vulnerable cohorts of the population along with targeted policies to arrest an increase in the incidence and or depth of poverty.</p> <p>No poverty assessment has been conducted by Afghanistan's Central Statistics Office (CSO) as of May 2004, but there are numerous indicators of the depth of poverty, for instance, the average civil service salary is \$40-\$45 per month, which averages out to \$1.33-\$1.5 for an average family of six, or \$0.22-\$0.25 per individual. This is half the amount of income needed to meet the basic individual caloric requirement of 2,100 kilocalories per day. The life expectancy at birth is a mere 43 years, and the country has high rates of infant mortality (165</p>								

deaths per 1,000 births), under-five mortality (257 deaths per 1,000 births) and maternal mortality (1,600 deaths per 100,000 live births). Other health issues are goiter and stunting, both as a result of lack of iodized salt and iron deficiencies, which result in high rates of anemia. About 60% of the population are malnourished and only 13% of the population of 22 million people have access to safe water, and sanitation. While approximately 43% of the population or 10 million children are under the age of 15, only 3 million or so attend some form of schooling, with girls making up only 30% of the students.

While no systematic study is available on correlates of poverty in Afghanistan, sketchy information suggests that poverty is associated with low economic growth and the collapse of employment opportunities due to the long period of war. Other factors pertain to the agro-ecological environment, state of resource degradation, landownership, land tenure status, livestock ownership, access to water and inputs, access to off-farm employment opportunities, access to poppy cultivation, refugee/displaced status, gender, ethnicity, status of household head (education, skill, female head of household, etc.), and physical disability.

b. Goal and purpose: The goal of this TA is to develop a sound country strategy and program for the Islamic Republic of Afghanistan. The purpose is to conduct a multidimensional poverty assessment.

c. Components and outputs: A team of international as well as domestic consultants will conduct the poverty assessment, relying on primary data (where available), as well as secondary data. The consultants will make use of quantitative and qualitative information generated by a household income and expenditure survey under advisory TA 4313 Poverty Assessment and Macroeconomic Statistical Capacity Building, as well as other surveys such as the national risk and vulnerability assessment survey. Participatory poverty assessment exercises may be conducted at the regional level, if needed, to supplement quantitative information. As much as possible use will be made of existing information in close coordination with the World Bank and other aid agencies.

The output will be a comprehensive poverty assessment that examines the income as well as the non-income dimensions of poverty, particularly as these relate to the achievement of the millennium development goals.

- d. Expected results and deliverables:** The poverty assessment will provide a better understanding of the
- (i) nature of poverty in Afghanistan;
 - (ii) causes of poverty (political, social, economic, institutional, cultural);
 - (iii) regional and gender dimensions of poverty;
 - (iv) current strategies/responses to poverty reduction by different agencies (government, multilateral, bilateral, aid agencies and communities) and the impacts of these strategies; and
 - (v) future response to poverty in the context of ADB's country strategy.

The poverty assessment will also provide a critical input into the interim poverty reduction strategy paper (PRSP), as well as the full PRSP expected to be launched by the World Bank in June 2004 and May 2005, respectively.

e. Social or environmental issues or concerns: Positive social benefits are expected to be attained as the poverty assessment will inform public policy vis-a-vis the budget as well as the non-income dimensions of well-being, which the Government and civil society can seek to promote. The assessment will have no adverse environmental effects.

f. Plans for disseminating results/deliverables: The results of the draft assessment will be shared with the Government, civil society, private sector, and other development partners through high-level forums. The draft assessment will then be revised based on the feedback received at these forums.

7. Proposed executing/implementing agency or agencies: Ministry of Finance (MOF)

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

MOF has requested ADB for continuing support in its efforts to reduce poverty in the country. While a number of ministries will be interested in participating in the poverty assessment (e.g., Ministry of Education, Ministry of Health, Ministry of Rural Rehabilitation and Development, Ministry of Women's Affairs), MOF as well as the CSO are expected to continue being the dominant partners in the exercise. In addition, nongovernment organizations, civil society and the private sector will be consulted.

9. Timetable for assistance design, processing, and implementation

- a. Year included in CSP, CSP Update, RCSP, RCSP Update, or interregional work plan: 2005
- b. Expected date of submission for approval
 Lending:
 Nonlending (project preparatory):
 Nonlending (other than project preparatory):
- c. Period and duration of assistance
 Lending:
 Nonlending: January –Dec 2005

10. Financing Plan

- a. For lending
 Ordinary capital resources: \$
 Asian Development Fund: \$
 Other:

If cofinancing is required, indicate amount and sources sought: \$____, from _____.
 If known, provide cost estimates and financing arrangements.

Source	Amount (\$)
ADB Financing	
Government Financing	
Other Financing	
Total Cost	

Source:

- b. For nonlending
 No resources required, other than ADB staff
 ADB's administrative budget: \$
 Grant TA funds: TASF
 Other: AusAID

If cofinancing is required, indicate amount and sources sought:
 If known, provide cost estimates and financing arrangements.

Source	Amount (\$)
ADB Financing	300,000
Government Financing	
Other Financing	
Total Cost	300,000

Source:

ADB = Asian Development Bank, AusAID = Australian Agency for International Development, CSP = country strategy and program, RCSP = regional cooperation strategy and program, TA = technical assistance, TASF = technical assistance special fund.

**Table A3.18: Gender Assessment of the Islamic Republic of Afghanistan
Concept Paper**

Date: 1 May 2004

<p>1. Type/modality of assistance</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:</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 checked="" type="checkbox"/> Economic, thematic, and sector work</p> <p><input type="checkbox"/> Institutional development</p> <p><input type="checkbox"/> Other:</p>								
<p>2. Assistance Focus</p> <p>a. If assistance focuses on a particular sector or subsector, specify the Sector: Law and Public Sector Management Subsector: Economic Management</p> <p>b. For project preparatory and lending, classification</p> <p><input type="checkbox"/> Core poverty intervention</p> <p><input type="checkbox"/> Poverty intervention</p> <p><input type="checkbox"/> Other</p> <p>c. Key thematic area(s)</p> <table border="0"> <tr> <td><input type="checkbox"/> Sustainable economic growth</td> <td><input type="checkbox"/> Environmental sustainability</td> </tr> <tr> <td><input checked="" type="checkbox"/> Inclusive social development</td> <td><input type="checkbox"/> Regional cooperation</td> </tr> <tr> <td><input type="checkbox"/> Governance</td> <td><input type="checkbox"/> Private sector development</td> </tr> <tr> <td><input checked="" type="checkbox"/> Gender and development</td> <td></td> </tr> </table>	<input type="checkbox"/> Sustainable economic growth	<input type="checkbox"/> Environmental sustainability	<input checked="" type="checkbox"/> Inclusive social development	<input type="checkbox"/> Regional cooperation	<input type="checkbox"/> Governance	<input type="checkbox"/> Private sector development	<input checked="" type="checkbox"/> Gender and development	
<input type="checkbox"/> Sustainable economic growth	<input type="checkbox"/> Environmental sustainability							
<input checked="" type="checkbox"/> Inclusive social development	<input type="checkbox"/> Regional cooperation							
<input type="checkbox"/> Governance	<input type="checkbox"/> Private sector development							
<input checked="" type="checkbox"/> Gender and development								
<p>3. Coverage</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: Operations Coordination Division / South Asia Department</p>								
<p>5. Responsible ADB officer: To be determined</p>								
<p>6. Description of assistance</p> <p>a. Background/linkage to country/regional strategy: ADB conducts a number of thematic studies to inform its strategy and development program for a country, one of them is the country gender assessment. A gender assessment is conducted mindful of the fact that while the biological differences between women and men remain constant, their "societal" (i.e., cultural, economic, political, and social) roles are different across countries and evolve over time. Similarly, public policymakers and implementers need to be aware that these differences between roles in different societies often mean that the impact of development interventions will be different on each group, and so will the opportunities available to each.</p> <p>While no comprehensive and systematic gender assessment has been conducted for Afghanistan, much has been written about the changing roles of men and women as the country stumbled from peace in the early 1970s to war, internal conflict, repression, and, most recently, to restoration of basic freedoms.</p>								

Experience of and research in countries elsewhere have shown that the impact of debilitating circumstances such as war is borne differently by men and women. More importantly, the coping mechanisms are in a large part determined by their capabilities, which in turn are determined by opportunities they have been provided.

In many parts of the world, these opportunities whether they relate to access to resources, political participation, or decision making are less available to women in general and to poor women in particular.

b. Goal and purpose: The goal of the TA is to develop a sound country strategy and program for the Islamic Republic of Afghanistan. The purpose is to conduct a multidimensional gender assessment that links with and informs the poverty assessment.

c. Components and outputs: A team of international as well as domestic consultants will conduct the gender assessment, relying on primary data (where available) as well as secondary data. Participatory assessment exercises will be conducted, particularly in close coordination with the World Bank, which is currently conducting a 2-year country gender assessment exercise. The output will be a comprehensive gender assessment that will identify major areas of concern regarding the gender situation in the country and the role ADB assistance can play in improving these conditions through support to public policy and capacity building. The assessment will also outline the implications of ignoring gender considerations for achieving the Millennium Development Goals.

d. Expected results and deliverables: The gender assessment will provide

- (i) a situation analysis of women and men as it relates to their educational attainment, health conditions, economic opportunities, and political participation, etc. The analysis will be, to the extent possible, disaggregated by (a) sectors, (b) ethnicity, (c) geographic areas, (d) income stratas;
- (ii) an analysis of the causes of gender disparities;
- (iii) current government response in terms of policies and programs;
- (iv) current ADB response in terms of its operations in Afghanistan; and
- (v) identification of an appropriate gender strategy for the next country strategy and program.

e. Social or environmental issues or concerns: Positive social benefits are expected to be attained as the gender assessment will inform public policy in creating an equitable society. However, the Government will have to sequence reforms appropriately, given the conservative and traditional nature of society and keeping in view the outcomes of previous attempts at providing women with their basic rights as citizens of Afghanistan. There are no adverse environmental effects as a consequence of this assessment.

f. Plans for disseminating results/deliverables: The results of the draft assessment will be shared with the government, civil society, private sector, and other development partners through high-level forums. The draft assessment will then be revised based on the feedback received at these forums.

7. Proposed executing/implementing agency or agencies: Ministry of Women's Affairs (MOWA), Central Statistics Office (CSO), and Ministry of Finance (MOF)

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

MOF has requested ADB for continuing support in its efforts to reduce poverty in the country. While a number of ministries have expressed interest in participating in a gender assessment (e.g., Ministry of Public Health, Ministry of Education, Ministry of Rural Rehabilitation and Development, Ministry of Justice), MOWA, MOF as well as CSO are expected to continue being the dominant partners in the exercise. In addition, nongovernment organizations, civil society, and the private sector will also be frequently consulted.

9. Timetable for assistance design, processing, and implementation

- a. Year included in CSP, CSP Update, RCSP, RCSP Update, or interregional work plan: 2005
- b. Expected date of submission for approval
 - Lending:
 - Nonlending (project preparatory):
 - Nonlending (other than project preparatory):
- c. Period and duration of assistance
 - Lending:
 - Nonlending: January –Dec 2005

10. Financing Plan

- a. For lending
- Ordinary capital resources: \$
 - Asian Development Fund: \$
 - Other:

If cofinancing is required, indicate amount and sources sought: \$ _____, from _____.
 If known, provide cost estimates and financing arrangements.

Source	Amount (\$)
ADB Financing	
Government Financing	
Other Financing	
Total Cost	
Source:	

- b. For nonlending
- No resources required, other than ADB staff
 - ADB's administrative budget: \$
 - Grant TA funds: TASF
 - Other:

If cofinancing is required, indicate amount and sources sought:
 If known, provide cost estimates and financing arrangements.

Source	Amount (\$)
ADB Financing	250,000
Government Financing	
Other Financing	
Total Cost	250,000
Source:	

ADB = Asian Development Bank, CSP = country strategy and program, RCSP = regional cooperation strategy and program, TA = technical assistance, TASF = technical assistance special fund.

**Table A3.19: Capacity Building for Road Sector Institutions
Concept Paper**

Date: 21 May 2004

<p>1. Type/modality of assistance</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:</p> <p><input checked="" type="checkbox"/> Nonlending</p> <p> <input type="checkbox"/> Project preparatory</p> <p> <input checked="" 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:</p>								
<p>2. Assistance Focus</p> <p>a. If assistance focuses on a particular sector or subsector, specify the Sector: Transport and Communications Subsector: Roads and highways</p> <p>b. For project preparatory and lending, classification</p> <p> <input type="checkbox"/> Core poverty intervention</p> <p> <input type="checkbox"/> Poverty intervention</p> <p> <input type="checkbox"/> Other</p> <p>c. Key thematic area</p> <table border="0"> <tr> <td><input checked="" type="checkbox"/> Sustainable economic growth</td> <td><input type="checkbox"/> Environmental sustainability</td> </tr> <tr> <td><input type="checkbox"/> Inclusive social development</td> <td><input type="checkbox"/> Regional cooperation</td> </tr> <tr> <td><input type="checkbox"/> Governance</td> <td><input type="checkbox"/> Private sector development</td> </tr> <tr> <td><input type="checkbox"/> Gender and development</td> <td></td> </tr> </table>	<input checked="" type="checkbox"/> Sustainable economic growth	<input type="checkbox"/> Environmental sustainability	<input type="checkbox"/> Inclusive social development	<input type="checkbox"/> Regional cooperation	<input type="checkbox"/> Governance	<input type="checkbox"/> Private sector development	<input type="checkbox"/> Gender and development	
<input checked="" type="checkbox"/> Sustainable economic growth	<input type="checkbox"/> Environmental sustainability							
<input type="checkbox"/> Inclusive social development	<input type="checkbox"/> Regional cooperation							
<input type="checkbox"/> Governance	<input type="checkbox"/> Private sector development							
<input type="checkbox"/> Gender and development								
<p>3. Coverage</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: Transport and Communications Division / South Asia Department</p>								
<p>5. Responsible ADB officer: To be determined</p>								
<p>6. Description of assistance</p> <p>a. Background/linkage to country/regional strategy: The governmental organizations in the road sector lost most of their institutional knowledge and expertise due to decades of conflict, during which several skilled personnel left the country or retired, and new qualified personnel were not inducted. There is an urgent need to revamp the entire organizational structure and bring the institution in the road sector up to present-day skills and standards. Under the ongoing cluster TA 3874-AFG: Capacity Building for Reconstruction and Development, ADB has been assisting the Government in building the capacity of key functions of the Ministry of Public Works (MPW). The cluster TA also assisted the three transport sector ministries in conducting a comprehensive transport sector review (TSR), which has drawn up recommendations and action plans for each of the key reform areas. For the road sector, recommendations have been made with respect to (i) organizational structure of MPW; (ii) MPW construction and maintenance operations; (iii) reform, restructuring, and strengthening MPW; (iv) financing the road sector; and (v) long-term institutional arrangements in the road sector. Some</p>								

recommendations are being implemented with assistance from ADB, World Bank, United States Agency for International Development, and other major funding agencies. There are, however, areas that require further attention and strong support through external assistance.

b. Goal and purpose: The proposed project is a follow-on TA to the ongoing cluster TA. Its goal is to follow up the progress of reforms identified by the TSR and assist the Government in implementing the reforms. The focus areas will be (i) organizational restructuring for efficient operation and maintenance of all three levels of roads, (ii) instituting a self-financing mechanism for the road sector, and (iii) establishing a sustainable mechanism for human resource development in the road sector. The TA will also provide assistance in coordinating the activities of funding agencies in the road sector reform.

c. Components and outputs

- (i) Inventory of the present reform activities supported by funding agencies
- (ii) Present human resources and skills inventory in both public and private sector
- (iii) Sector finances and cost recovery requirements
- (iv) A rationalized, organizational setup for operation and maintenance
- (v) Legal and institutional setup for an integrated self-financing mechanism combining the toll scheme, fuel surcharge, and other charges related to road usage
- (vi) Human resources development system including certification mechanisms for specialized skills
- (vii) Guidelines for private sector participation

d. Expected results and deliverables: Modern, efficient, functioning ministries providing essential services and regulatory functions in a transparent and cost-effective manner; and an enabling environment for private sector participation in providing road sector services.

e. Social or environmental issues or concerns: None

f. Plans for disseminating results/deliverables: Seminars/workshops/tripartite meetings

7. Proposed executing/implementing agency or agencies: Ministry of Finance and MPW

8. Nature/extent of government/beneficiary involvement in identifying or conceptualizing the assistance: Consultative meetings with officials of MOF and MPW

9. Timetable for assistance design, processing, and implementation

- a. Year included in CSP, CSP Update, RCSP, RCSP Update, or interregional work plan: CSPU 2003
- b. Expected date of submission for approval
 - Lending:
 - Nonlending (project preparatory):
 - Nonlending (other than project preparatory): March 2005
- c. Period and duration of assistance
 - Lending:
 - Nonlending: 12 months

10. Financing Plan

- a. For lending
 - Ordinary capital resources:
 - Asian Development Fund:
 - Other:

If cofinancing is required, indicate amount and sources sought: \$ _____, from _____.

If known, provide cost estimates and financing arrangements.

Source	Amount (\$)
ADB Financing	
Government Financing	
Other Financing	
Total Cost	
Source:	

b. For nonlending

- No resources required, other than ADB staff
 ADB's administrative budget:
 Grant TA funds: TASF
 Other:

If cofinancing is required, indicate amount and sources sought: \$____, from _____.

If known, provide cost estimates and financing arrangements.

Source	Amount (\$)
ADB Financing	1 million
Government Financing	
Other Financing	
Total Cost	1 million

Source:

ADB = Asian Development Bank, CSP = country strategy and program, RCSP = regional cooperation strategy and program, TA = technical assistance, TASF = technical assistance special fund.

**Table A3.20: Institutional Strengthening of the Ministry of Civil Aviation and Tourism
Concept Paper**

Date: 19 May 2004

<p>1. Type/modality of assistance</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:</p> <p><input checked="" type="checkbox"/> Nonlending</p> <p><input type="checkbox"/> Project preparatory</p> <p><input checked="" 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:</p>								
<p>2. Assistance Focus</p> <p>a. If assistance focuses on a particular sector or subsector, specify the Sector: Transport and Communications Subsector: Aviation</p> <p>b. For project preparatory and lending, classification</p> <p><input type="checkbox"/> Core poverty intervention</p> <p><input type="checkbox"/> Poverty intervention</p> <p><input type="checkbox"/> Other</p> <p>c. Key thematic area</p> <table border="0"> <tr> <td><input checked="" type="checkbox"/> Sustainable economic growth</td> <td><input type="checkbox"/> Environmental sustainability</td> </tr> <tr> <td><input type="checkbox"/> Inclusive social development</td> <td><input type="checkbox"/> Regional cooperation</td> </tr> <tr> <td><input type="checkbox"/> Governance</td> <td><input type="checkbox"/> Private sector development</td> </tr> <tr> <td><input type="checkbox"/> Gender and development</td> <td></td> </tr> </table>	<input checked="" type="checkbox"/> Sustainable economic growth	<input type="checkbox"/> Environmental sustainability	<input type="checkbox"/> Inclusive social development	<input type="checkbox"/> Regional cooperation	<input type="checkbox"/> Governance	<input type="checkbox"/> Private sector development	<input type="checkbox"/> Gender and development	
<input checked="" type="checkbox"/> Sustainable economic growth	<input type="checkbox"/> Environmental sustainability							
<input type="checkbox"/> Inclusive social development	<input type="checkbox"/> Regional cooperation							
<input type="checkbox"/> Governance	<input type="checkbox"/> Private sector development							
<input type="checkbox"/> Gender and development								
<p>3. Coverage</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: Transport and Communications Division / South Asia Department</p>								
<p>5. Responsible ADB officer: Dong-Soo Pyo</p>								
<p>6. Description of assistance</p> <p>a. Background/linkage to country/regional strategy: Extended years of conflict in Afghanistan have incapacitated the core institutions in the civil aviation sector, particularly in the remote areas of the country where small regional airports had previously been operating. The comprehensive needs assessment has identified the urgent need to rebuild the institutional infrastructure of the subsector, including a human resource development program. This advisory technical assistance (ADTA) will focus on the institutional restructuring and improvement of skills and training of subsector personnel.</p> <p>b. Goal and purpose: The Ministry of Civil Aviation and Tourism (MCAT) is responsible for management, implementation, and operation and maintenance of civil aviation infrastructure. MCAT is also responsible for the national airlines and tourism, including some hotels. MCAT does not have adequate human resources or organization to handle these responsibilities. The goal of the ADTA is to prepare a plan for restructuring MCAT</p>								

by separating the operational and regulatory functions. The viability of private sector involvement in the operational function will be studied and the necessary legal/statutory changes will be assessed. The human resources needs of MCAT for the immediate and medium term will be evaluated and an appropriate human resource development program elaborated and implemented. The program will include training suitable present staff at the regional airports as well as a plan for recruiting new staff.

c. Components and outputs: The main components of the advisory TA follow:

- (i) assessment of human resource needs for the immediate short term and medium term
- (ii) strength, weakness, opportunities, and threat (SWOT) analysis of the present organizational structure of MCAT
- (iii) separation of core and noncore functions, regulatory and operational functions of MCAT
- (iv) rationalization of existing staff
- (v) implementation of training program
- (vi) outline plans for private sector operations
- (vii) outline plan for restructuring MCAT

d. Expected results and deliverables: The TA will provide a blueprint for the future organization of MCAT and detailed plans for restructuring the regulatory and operational functions of the ministry. The possible privatization of all noncore functions, including the operation of hotels and airlines, will be evaluated and guidelines provided. Appropriate training programs for suitable existing staff will be undertaken as part of the TA.

e. Social or environmental issues or concerns: None identified

f. Plans for disseminating results/deliverables: Workshops / seminars and tripartite meetings

7. Proposed executing/implementing agency or agencies: MCAT

8. Nature/extent of government/beneficiary involvement in identifying or conceptualizing the assistance: Meetings with ministry officials, International Civil Aviation Organization and Interim Administration of Afghanistan officials

9. Timetable for assistance design, processing, and implementation

- a. Year included in CSP, CSP Update, RCSP, RCSP Update, or interregional work plan: CSPU 2003
- b. Expected date of submission for approval
 - Lending:
 - Nonlending (project preparatory):
 - Nonlending (other than project preparatory):
- c. Period and duration of assistance
 - Lending:
 - Nonlending: 2005

10. Financing Plan

- a. For lending
 - Ordinary capital resources:
 - Asian Development Fund:
 - Other:

If cofinancing is required, indicate amount and sources sought: \$____, from _____.

If known, provide cost estimates and financing arrangements.

Source	Amount (\$)
ADB Financing	
Government Financing	
Other Financing	
Total Cost	
Source:	

- b. For nonlending
 - No resources required, other than ADB staff
 - ADB's administrative budget:
 - Grant TA funds: TASF
 - Other:

If cofinancing is required, indicate amount and sources sought: \$ _____, from _____.

If known, provide cost estimates and financing arrangements.

Source	Amount (\$)
ADB Financing	1 million
Government Financing	
Other Financing	
Total Cost	1 million

Source:

ADB = Asian Development Bank, CSP = country strategy and program, CSPU = country strategy and program update, RCSP = regional cooperation strategy and program, TA = technical assistance, TASF = technical assistance special fund.

**Table A3.21: Andkhoy Water Supply Project
Concept Paper**

Date: 10 June 2004

<p>1. Type/modality of assistance</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:</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 checked="" type="checkbox"/> Other</p>								
<p>2. Assistance Focus</p> <p>a. If assistance focuses on a particular sector or subsector, specify the Sector: Water Supply, Sanitation, and Waste Management Subsector: Water supply and sanitation</p> <p>b. For project preparatory and lending, classification</p> <p><input type="checkbox"/> Core poverty intervention</p> <p><input checked="" type="checkbox"/> Poverty intervention</p> <p><input type="checkbox"/> Other</p> <p>c. Key thematic areas</p> <table> <tr> <td><input type="checkbox"/> Sustainable economic growth</td> <td><input checked="" type="checkbox"/> Environmental sustainability</td> </tr> <tr> <td><input checked="" type="checkbox"/> Inclusive social development</td> <td><input type="checkbox"/> Regional cooperation</td> </tr> <tr> <td><input type="checkbox"/> Governance</td> <td><input type="checkbox"/> Private sector development</td> </tr> <tr> <td><input type="checkbox"/> Gender and development</td> <td></td> </tr> </table>	<input type="checkbox"/> Sustainable economic growth	<input checked="" type="checkbox"/> Environmental sustainability	<input checked="" type="checkbox"/> Inclusive social development	<input type="checkbox"/> Regional cooperation	<input type="checkbox"/> Governance	<input type="checkbox"/> Private sector development	<input type="checkbox"/> Gender and development	
<input type="checkbox"/> Sustainable economic growth	<input checked="" type="checkbox"/> Environmental sustainability							
<input checked="" type="checkbox"/> Inclusive social development	<input type="checkbox"/> Regional cooperation							
<input type="checkbox"/> Governance	<input type="checkbox"/> Private sector development							
<input type="checkbox"/> Gender and development								
<p>3. Coverage</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: Afghanistan Resident Mission / South Asia Department</p>								
<p>5. Responsible ADB officer: Allan Kelly</p>								
<p>6. Description of assistance</p> <p>a. Background/linkage to country/regional strategy: Water resources are one of Afghanistan's most valuable resources, as the country has a variable climatic regime and is prone to periods of drought. Further, many areas lack access to reliable groundwater or surface water sources to provide communities and households with safe drinking water. A contributing factor has been the long period of conflict, which resulted in traditional schemes being damaged and destroyed; and the long period of drought over the last 10 years, which has impacted on water tables and flows.</p> <p>The Government has identified priority areas where communities have significant shortfalls in water supplies to meet basic needs. One of the priority areas is Andkhoy, which has very little access to reliable potable water supplies. With a population of around 200,000, households rely on purchased water and the very limited supply of poor-quality water. There are a number of potential water sources: – these are deep aquifers, which would</p>								

require deep wells in excess of 200 meters; the potential for improving surface water harvesting can be assessed; or other water sources can be accessed. All these options will need to be assessed for feasibility and viability, and will involve investment and technical assessment.

The provision of reliable potable water supplies to rural communities is a government priority – identified in the rural livelihood and social protection sector public investment program, and the national urban and rural water program (drinking water) – and is a Government commitment to the millennium development goals, of which a core goal is access to safe drinking water for all by 2015. Both ministries that are responsible for rural water supplies – Ministry of Irrigation and Water Resources and Environment (MIWRE) and Ministry of Rural Rehabilitation and Development (MRRD) – identified Andhkoy as a priority area.

b. Goal and purpose: The project goal is to improve community access to potable water supplies in Andhkoy. The purpose is to assist the Government and communities in Andhkoy to prepare and establish viable potable water supply facilities for households in the area.

c. Components and outputs: Specific outputs will be a water resource assessment for the Andhkoy area, hydrological study, analysis of options on viable water supply schemes, stakeholder consultation and endorsement of recommended interventions; detailed engineering and design work on water supply interventions, a work program and phased implementation, social and community awareness, community-based institutions for water system management, which will adopt cost recovery principles.

d. Expected results and deliverables: The project will give communities in Andhkoy access to potable water supplies through the establishment and provision of potable water supply schemes for the communities. The schemes will be community managed and financially viable, having adopted cost recovery pricing mechanisms.

e. Social or environmental issues or concerns: The project will have a major impact on communities and households in improving social welfare (health and nutrition) and livelihoods. It will be essential that the consultation process and selection process incorporate equity criteria so that the interests of marginal and vulnerable groups are targeted, and that the interests of powerful groups and elites in the communities do not dominate the selection process. For all proposed project interventions an environmental impact assessment will be undertaken, and any required mitigating measures implemented.

f. Plans for disseminating results/deliverables: The project will adopt a community-based approach. The outcomes will be available in reports and manuals, which will be disseminated to provide examples of best practice and be learning experiences for related projects.

7. Proposed executing/implementing agency or agencies: MIWRE and MRRD

8. Nature/extent of government/beneficiary involvement in identifying or conceptualizing the assistance: Initial discussions were held with MRRD and MIWRE, and the project will be developed in consultation with both ministries.

9. Timetable for assistance design, processing, and implementation

- a. Year included in CSP, CSP Update, RCSP, RCSP Update, or interregional work plan: 2004
- b. Expected date of submission for approval
 - Nonlending (project preparatory): 2004
 - Nonlending (other than project preparatory):
- c. Period and duration of assistance
 - Nonlending: 2008

10. Financing Plan

- a. For lending
 - Ordinary capital resources: \$
 - Asian Development Fund:
 - Other:

If cofinancing is required, indicate amount and sources sought: \$____, from _____.
 If known, provide cost estimates and financing arrangements.

Source	Amount (\$)
ADB Financing	
Government Financing	
Other Financing	
Total Cost	

Source:

b. For nonlending

- No resources required, other than ADB staff
 ADB's administrative budget: \$
 Grant TA funds:
 Other: To be determined

If cofinancing is required, indicate amount and sources sought: \$____, from _____.
 If known, provide cost estimates and financing arrangements.

Source	Amount (\$)
ADB Financing	
Government Financing	
Other Financing	10 million
Total Cost	10 million

Source:

ADB = Asian Development Bank, CSP = country strategy and program, RCSP = regional cooperation strategy and program, TA = technical assistance.