

## II. THE DEVELOPMENT FRAMEWORK

### A. Political Context

7. Expressions of popular support for the UN-initiated political process underpin the hopes and aspirations of most Afghans. The shared vision is one of a country at peace with itself, ruled by laws, governed by a competent, transparent and responsible government. Rapid economic growth has the potential to rebuild a devastated country. This vision, expressed by the Afghanistan Interim Administration (AIA) and by many ordinary Afghans, is, above all, one of modernism and transformation.

8. The political process in Bonn resulted in agreement on the formation of the AIA. The AIA peacefully took power on 22 December and its cabinet was sworn in on that day. The AIA has been tasked under the Bonn Agreement with preparing the way to convene an emergency *loya jirga* within 6 months of the signature of the agreement. The *loya jirga* will lead to the establishment of a transitional administration and then to the holding of elections for a more permanent administration within a period of 2 years. In order for the interim and transitional administrations to build legitimacy and accountability, they will need the capacity to take responsibility for coordination and management of the overall recovery and reconstruction effort.

### B. Intended Outcomes

9. The Afghan people face a formidable task of reconstruction and development. Among all the pressing needs that they face, the foremost task will be the formation of a legitimate and accountable government. The AIA has identified intended outcomes of the reconstruction process, as establishing

- (i) political stability and security,
- (ii) access to basic services,
- (iii) an adequate standard of living for its people,
- (iv) economic growth, and
- (v) in the longer term, independence from foreign aid.

### C. Setting Priorities

10. Over the coming years, the Afghan Government and people face the challenge of building an environment in which all Afghan men, women and children in urban and rural areas have access to sustainable health, education, and basic infrastructure services, and have opportunities to better their lives. These fundamental objectives of poverty reduction and economic opportunity are common to all people and are at the heart of any development program, but they are particularly pressing in a country torn for more than two decades by conflict. In the immediate months, the AIA will be under pressure to achieve quick results in its reconstruction efforts—meeting pressing needs in a way that gives citizens a stake in peace and stability, and enhancing national integration. Because so much is needed, the AIA has already signaled its desire to give priority in the early stages to those regions most affected by the recent conflict and by drought, and the displacement arising from these events.

#### 1. Immediate Priorities

11. Achieving security is fundamental. The early establishment of a national security force will be essential, but it will also be important to harness the energy of local institutions and civil

society leaders. Effective demobilization is needed, including the provision of alternative livelihoods for those who have lived by the gun. Mine action will create a safer environment and enable an increase in agricultural production.

12. The establishment of sound and trusted basic governance arrangements is essential to these goals and a prerequisite for putting in place the policies and projects necessary to achieve them. In the Afghan context, this means building on local traditional institutions and re-establishing structures of central and local governments in a way that builds confidence and trust. The basic pillars of any system will be the transparency of process, participation, accountability, and the rule of law. Public communication of information through an effective media strategy will be vital.

13. Labor-intensive public works programs to rehabilitate infrastructure will be valuable in themselves and create much needed jobs. There should be a particular focus on vulnerable groups, on demobilized combatants and on regions with high populations of internally displaced persons and returning refugees. Employment schemes will need to be targeted at women as well as men.

14. The expansion of health and education services will not only benefit the community at large, but can also help partly redress massive disadvantage suffered by women and girls.

15. Across all sectors, more detailed assessments of needs and constraints (physical and institutional) are needed before proceeding with the development of large-scale investment and policy programs—and these are the subject of the full needs assessment to be carried out with the leadership of the AIA. Nevertheless, a significant number of actions need to take place immediately. These include investment programs aimed at achieving quick and visible impacts, as well as urgent policy and regulatory actions.

## **2. Specific Concerns**

16. In Afghanistan, the common development problems of poverty, limited access to basic services, and limited economic opportunity are compounded by a long period of

- (i) serious abuse of human rights, especially violations of children's rights;
- (ii) far-reaching exclusion of women from key areas of social, political, and economic activity;
- (iii) threats to cultural heritage—with loss of physical and social assets;
- (iv) serious degradation of the environment (particularly deterioration of water resources and deforestation) affecting people's livelihoods, health and vulnerability;
- (v) substantial erosion of formal, legitimate private sector activity;
- (vi) massive population displacement, both internal and external;
- (vii) impact of war on children, including child soldiering, internal displacement, and massive and long-term physical and psychological trauma; and
- (viii) virtual collapse of the education system.

17. In recent years the denial of rights to Afghan women has been at the forefront of the international agenda. However, the problem did not start with the Taliban, and discrimination will not automatically disappear with their removal. The issues facing Afghan women are deeply rooted in social behaviors and practices. Afghan women have learned through the years of war the skills of survival. Now is the time to listen to their voices about their issues and priorities, and to work with them to design the programs that meet their needs.

18. Promoting and protecting human rights; promoting social, economic, and political inclusion of vulnerable groups; protecting children (particularly child combatants); protecting and re-energizing cultural heritage; tackling and reversing environmental degradation in rural areas; facilitating the return of refugees and internally displaced persons; and encouraging private sector engagement in the rebuilding of the economy will all shape project priorities and project design and implementation.

#### **D. Guiding Principles for Recovery and Reconstruction**

19. To be effective in establishing credible governance, addressing urgent needs and creating a sustainable basis for social and economic development, investments in recovery and reconstruction will need to be identified, designed, and implemented according to the following guiding principles:

- (i) Provide security and good governance.
- (ii) Ensure ownership of reconstruction programs and projects by the people and initially by the AIA, with priorities for achieving development outcomes set within a comprehensive framework.
- (iii) Re-establish basic services, especially quality education and create the conditions for economic growth, including transformation to a market-based modern economy and fostering the re-emergence of a dynamic private sector.
- (iv) Where possible use labor-intensive approaches to help create early opportunities for employment and training.
- (v) Reduce social exclusion and ensure the re-integration of women in Afghan society and economy.
- (vi) Arrest and reverse environmental degradation, and ensure that environmental considerations are integrated into the planning and development of sector projects.
- (vii) Adhere to principles of transparency, accountability, and public dissemination of timely financial reports. Here the government budget would be the main instrument for setting priorities, with funding support.
- (viii) Design the reconstruction effort as part of the larger exercise of nation-building, helping to create the conditions for peace, stability, and social inclusion.

#### **E. Implementation Challenges and Opportunities**

20. Recovery, reconstruction, and longer term development needs in Afghanistan are enormous and will require substantial new investment. A constraint on the design and delivery of effective and sustainable reconstruction and development programs will be the capacity of public institutions to facilitate their delivery. In early discussions, the AIA has expressed commitment to a number of principles that are fundamental for successful reconstruction programs, including

- (i) using the full variety of institutional actors to help in the reconstruction effort, including the civil service, private sector, community and nongovernment organizations (NGOs);
- (ii) using the most efficient possible institutional arrangements in order to obtain cost-effective results—including a commitment to using results-based approaches that reward private service providers based on their performance; and
- (iii) implementing transparent and accountable funding and procurement processes.

21. Communities themselves will be a key to harnessing the energy of Afghans to address their recovery and reconstruction needs. How the Government engages with communities and

the support that will be required for that process is still to be decided, but community institutions, such as the *shuras* and *jirgas*, can serve as a base for development. However, these are not always inclusive, and women in particular have lacked representation. Ways should therefore be sought to widen participation.

22. The role of NGOs is also likely to change. To date most international relief, rehabilitation and community development activities have been channeled through them, but while they have often been effective in involving and targeting women and other vulnerable groups their geographical coverage is both limited and uneven. Scaling up sufficiently to provide an acceptable level of coverage is not possible with current ways of working, and NGOs are already discussing new operational approaches in order to best help the Afghan administration reach local communities with assistance.

23. National and local governments will likely play a role in the delivery of some key public services, and the new Government will require time to engage in policy discussions on such vital areas as the appropriate degree of decentralization of service delivery and the channeling of financial support for decentralized services. There are currently some 170,000 civil servants; this number is expected to increase to about 250,000 once previously dismissed workers (women in particular, many of whom were teachers) are re-engaged. The majority of these will be teachers and health workers. At one time 43% of Afghanistan's civil servants were women and specific programs of retraining and skills upgrading will be required to facilitate their re-entry into the workforce.

24. Members of the AIA have expressed the view that reconstruction should be based on the development of a private sector-led economy. The establishment of a supportive investment climate would be important so that private sector initiative plays a major role not only in the industrial and commercial sectors, but also in the rehabilitation and expansion of infrastructure and social services. Options range from emergency contracts for road rehabilitation and debris removal, to contracts and licenses for the rehabilitation and expansion, operation of and revenue collection for electricity and piped water systems, and the expansion of telecommunications services.