



Technical Assistance Report

Project Number: 38252
December 2005

Technical Assistance Islamic Republic of Afghanistan: Capacity Development for Irrigation and Water Resources Management

Asian Development Bank

CURRENCY EQUIVALENTS

(as of 24 November 2004)

Currency Unit	–	afghani(s) (AF)
AF1.00	=	\$0.0234
\$1.00	=	AF42.79

ABBREVIATIONS

ADB	–	Asian Development Bank
AFRM	–	Afghanistan Resident Mission
ANDS	–	Afghanistan National Development Strategy
CAR	–	Central Asian republic
ECRD	–	East and Central Asia Department
IWRM	–	integrated water resources management
M&E	–	monitoring and evaluation
MEW	–	Ministry of Energy and Water
MIS	–	management information system
O&M	–	operation and maintenance
PRR	–	priority reform and restructuring
RETA	–	regional technical assistance
TA	–	technical assistance
TOR	–	terms of reference

TECHNICAL ASSISTANCE CLASSIFICATION

Poverty Classification	–	General intervention
Sector	–	Agriculture and natural resources
Subsector	–	Water resource management
Themes	–	Sustainable economic growth, capacity development
Subthemes	–	Fostering physical infrastructure development, developing rural areas, organizational development

NOTE

In this report, "\$" refers to US dollars.

Vice President	L. Jin, Operations Group 1
Director General	K. Senga, South Asia Department (SARD)
Director	F. Roche, Agriculture, Environment, and Natural Resources Division, SARD
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I. INTRODUCTION

1. The Islamic Republic of Afghanistan has requested support from the Asian Development Bank (ADB) for technical assistance (TA) to develop the capacity of the Ministry of Energy and Water (MEW). The TA was included in ADB's Afghanistan Country Strategy and Program Update in 2004, but execution was moved to 2005.¹ The TA is based on the initial Fact-Finding Mission conducted during 22–29 August 2004 and subsequent consultations with MEW and the ADB Afghanistan Resident Mission (AFRM).² The TA was confirmed by MEW during a mission to Afghanistan in August 2005. The TA builds on the foundation developed under a capacity development TA, which closed in April 2004.³ The TA has been developed within and supports the framework of ADB's agriculture sector program loan that underpins ADB's strategy for agriculture and natural resource management in Afghanistan.⁴ The TA design and monitoring framework is in Appendix 1.

II. ISSUES

2. **Poverty and Water Resources.** Water resources management and irrigated agriculture are fundamental to the rural sector, poverty reduction, and the national economy in Afghanistan. Despite the recent development progress following three decades of civil unrest, poverty is still rife. Of the rural population, about half lack resources for an adequate diet, while the poorest 20% experience food insecurity even in years of good harvest. Infant and child mortality rates are among some of the highest in the world, and food intake of 70% of children is not sufficient for normal development. Improving the situation requires a dynamic agriculture sector supported by development of irrigation.

3. Agriculture makes up between 50% and 60% of the national economy and employs around 80% of the population, while irrigated agriculture produces up to 80% of agricultural output. Farmers throughout the country have cited lack of irrigation water as the primary constraint to agricultural productivity. Deficit rainfall in 2004 caused the projected 16% annual growth in gross domestic product to be revised downward to 8%, and 2.5 million Afghans experienced food insecurity. Developing water resources and improving the productivity of irrigated agriculture are paramount to sustain Afghanistan's economic growth and address rural poverty. Agriculture uses 95% of developed water supplies; thus, enhancing irrigated agriculture must be pursued in parallel with strengthening water resources management.

4. **Irrigation in Afghanistan.** The Irrigation Department is currently housed within MEW and is responsible for irrigation management and development. Out of an arable area of about 8 million hectares (ha), Afghanistan has 2.5–3.0 million ha of land under irrigation schemes. However, much of the irrigation is intermittent, depending on the year's precipitation. Local communities have traditionally developed and managed the operation and maintenance (O&M) of irrigation systems under the *mirab* system of community irrigation managers, which is still functioning in most areas. Traditional systems that have existed for centuries account for about 80% of the irrigated area, and some modern systems that have been developed over the last 50 years by various government-supported agencies account for approximately 10%. During the last three decades of civil unrest, irrigation infrastructure deteriorated significantly due to inadequate O&M and lack of resources for

¹ The TA first appeared in *ADB Business Opportunities* (internet edition) on 2 August 2004.

² The Ministry of Irrigation, Water Resources, and Environment was dissolved in December 2004 after the national elections in Afghanistan. The Irrigation Department moved to the new Ministry of Energy and Water.

³ ADB. 2002. *Proposed Technical Assistance Cluster to the Islamic Republic of Afghanistan for Capacity Building Reconstruction and Development. Subcluster 1B: Capacity Building for the Ministry of Irrigation, Water Resources and Environment*. Manila (TA 3874-AFG).

⁴ ADB. 2004. *Report and Recommendation of the President to the Board of Directors on a Proposed Loan and Technical Assistance Grant to the Islamic Republic of Afghanistan for the Agriculture Sector Program*. Manila.

repairs and rehabilitation. Substantial assistance is needed to restore systems to fully functional condition, and many need upgrading to improve management and water use efficiency. Much of this work is beyond the capacity of the local communities, and outside assistance is needed. In the past, the Irrigation Department had provided ad hoc assistance to communities when the Government had resources to do so.

5. On record, the Irrigation Department has about 3,000 employees with about a quarter in Kabul, however, far fewer appear to be in the field and data is uncertain.⁵ Irrigation Department capacity was significantly diminished during the years of civil unrest, resulting in few qualified engineers, a severe lack of analytical and planning skills, and very limited administrative capability. A dearth of resources rendered the Irrigation Department a moribund agency with few field activities taking place and regional offices becoming dysfunctional. Aid agencies are providing substantial assistance to rehabilitate irrigation systems and technical training for Irrigation Department staff so that they can become a viable force in rehabilitating and developing irrigation in Afghanistan. ADB provides the most sector assistance, which includes (i) the Emergency Infrastructure Rehabilitation and Reconstruction Project;⁶ (ii) a grant for an integrated water resources management project;⁷ and (iii) the western basins water resources management project (scheduled for approval in 2005).

6. **Integrated Water Resources Management.** The Irrigation Department is also responsible for integrated water resources management (IWRM), and an IWRM policy framework is being developed with external support. The Strategic Policy Framework for the Water Sector (adopted by the Cabinet in 2004), the draft water resources management policy, and the draft irrigation policy identify important sector concerns and provide general policy direction based on international best practice. The Irrigation Department with support from the aid community is undertaking activities to further develop and implement these policies. While the underdeveloped capacity of the Irrigation Department and weak implementation capability present challenges, there also are opportunities to benefit from experience in other countries and to use international best practice to develop a sound policy framework for irrigation and IWRM in Afghanistan.

7. **Regional Cooperation on Water Resources.** Development and management of Afghanistan's water resources also have implications for regional cooperation and sharing of water resources with other countries, especially the Central Asian republics (CARS). The largest river in Afghanistan, the Amu Darya, is shared with Tajikistan and Uzbekistan. Afghanistan also has several other international rivers that it shares with the CARS as well as with Pakistan and Iran. ADB's East and Central Asia Regional Department (ECRD) has a regional TA for managing shared water resources in Central Asia that currently does not include Afghanistan as a participating country.⁸ However, starting dialogue with Afghanistan's neighbors as well as developing capacity to develop and manage shared water resources is important to meet the long-term water needs in Afghanistan and the region. International water resources issues are primarily the responsibility of the Irrigation Department and, although the current policy framework addresses international waters, Afghanistan is not currently involved with its neighbors in shared water resources management issues.

⁵ This consists of the Irrigation Department and all ancillary enterprises including about 1,000 employees in well drilling, wire making, and construction concerns, most of which are defunct enterprises.

⁶ ADB. 2003. *Report and Recommendation of the President to the Board of Directors on a Proposed Loan to the Transitional Islamic State of Afghanistan for the Emergency Infrastructure Rehabilitation and Reconstruction Project*. Manila. The loan scope was changed to add an irrigation component in February 2004.

⁷ ADB. 2004. *Proposed Grant Assistance to the Islamic Republic of Afghanistan for the Balkh River Basin Integrated Water Resources Management*. Manila.

⁸ ADB. 2003. *Technical Assistance for Improved Management of Shared Water Resources in Central Asia*. Manila (TA 6163-REG).

8. **Capacity Development Needs in Irrigation and Water Resources.** Aid agencies have large programs of work and many planned projects for water resources and irrigation in Afghanistan.⁹ The developing policy framework helps identify sector priorities and guide sector objectives. However, the Irrigation Department requires further capacity development and assistance to restructure and strengthen its core organizational and management functions to support its program of work and to implement the policy framework. The Irrigation Department needs to become less reliant on ad hoc project management arrangements and to increase its capacity to develop and administer projects and programs and, in the process, become an effective line agency. Specifically the Irrigation Department needs assistance with (i) developing a strategic plan and planning process; (ii) developing, evaluating, prioritizing, and planning sector investments; (iii) developing budgeting and financial management skills; (iv) coordinating and overseeing external support including ADB's large program; and (v) strengthening management and administrative processes including developing management information systems (MIS) and monitoring and evaluation (M&E) procedures. In addition, the Irrigation Department requires a comprehensive assessment of organizational and capacity needs to create a long-term capacity development program to ensure an appropriate department structure and skills set to meet overall sector objectives.¹⁰ The program should be developed in conjunction with the strategic plan to (i) confirm the existing policy framework and irrigation and water resources sectors, (ii) define sectoral institutional arrangements consistent with ADB's water policy and international best practice, and (iii) delineate the appropriate role of the Irrigation Department. As the irrigation and water resources portfolio continues to grow, senior department officials will also require mentoring and support in day-to-day planning, management, and decision making to ensure effective implementation of projects and programs and to advance the emerging water resources management and irrigation policy framework.

9. **Way Forward and Lessons Learned.** The Irrigation Department is at a critical juncture in its development as it moves from overseeing impromptu, aid-initiated emergency rehabilitation activities to becoming an established water resources management and irrigation development agency that can plan, implement, and administer projects and programs to sustainably meet Afghanistan's water resource and irrigation needs. Support during the transition will comprise technical and capacity development assistance in planning and management to ensure that sound institutional mechanisms and processes are mainstreamed into the department's operations. ADB's experience with previous TAs in Afghanistan has demonstrated that long-term, ongoing TA by high-level advisors is an effective means to develop ministry capacity. The TA will provide advisory support in an on-the-job setting with focus on institutional, policy, and operational concerns, and include specialized short-term training and workshops to further develop the capacity of senior Irrigation Department staff.

III. THE TECHNICAL ASSISTANCE

A. Impact and Outcome

10. The TA will improve the effectiveness of Irrigation Department activities through enhanced management support for ongoing operations and capacity development for IWRM and core organizational functions. The TA will develop the capacity to enhance the Irrigation Department's effectiveness in (i) strategic and investment planning; (ii) project and program development and evaluation; (iii) budgeting and financial management; (iv) management; (v) IWRM; and (vi)

⁹ Sources of assistance to these sectors are ADB, Government of Canada, European Commission, Government of India, United States Agency for International Development, and World Bank among others.

¹⁰ The Irrigation Department had previously participated in and completed phase I of the priority reform and restructuring (PRR), the Government's initial attempt at civil service reform, while it was a part of the Ministry of Irrigation, Water Resources, and Environment. The PRR process has faltered, however, and may be abandoned. The Government has learned lessons from this initial attempt at civil service reform and is currently formulating new public administration reforms. Civil service reform is of high priority in the Afghanistan National Development Strategy, which is under preparation and the most current national planning exercise.

management of shared water resources, especially those shared with CARS. Capacity development in these areas will help ensure the most efficient and effective use of Irrigation Department resources and investments for maximum development benefits. The TA will facilitate the department's participation in regional cooperation on the management of shared water resources including activities under ADB's regional TA for Management of Shared Water Resources in Central Asia (footnote 8), and the Government and Afghanistan's eventual participation in transboundary policy dialogue, agreements, and pilot management studies.

11. The TA will include a comprehensive capacity needs assessment and long-term capacity development program for the Irrigation Department with defined components and activities for external support. The capacity development program will include an Irrigation Department staffing plan, with terms of reference, that builds on lessons from the priority reform and restructuring (PRR) process and incorporates new civil service reform initiatives. The TA will result in a number of internal policy documents (i) short-, medium-, and long-term strategic plans to define and achieve Irrigation Department and sector objectives and implement sector policies; (ii) a prioritized investment and asset management plan; (iii) a recurrent budget and financial management plan; (iv) an aid coordination plan; and (v) a water resources and irrigation policy action agenda among others. Outcomes will include procedures, processes, guidelines, and manuals to accompany the planning and strategy documents. The TA will involve workshops and other consultation activities along with seminars and local and foreign training opportunities for Government officials.

B. Methodology and Key Activities

12. The TA will provide for long-term advisors (one international and one domestic) to serve at Irrigation Department headquarters in Kabul. The advisors will work directly with the deputy minister (head of the Irrigation Department) to support day-to-day management activities and review and evaluate various project and policy documents. They will also execute the TA's program of work for the various planning, administrative, management, and strategy development activities. This approach to assistance has been strongly advocated by the Irrigation Department and deputy minister. The TA also supports limited short-term inputs of additional specialists to assist MEW on specific topics or projects identified in the course of the TA.

13. The advisors will play a supporting and facilitative role with Irrigation Department officials under the direction of the deputy minister. In addition to developing capacity, the TA will assist in developing important water resources strategy, investment, and management plans, as well as related policies and guidelines. In addition, the TA will assist in defining and institutionalizing procedures to ensure effective management of the department over the longer term. Each of the planning documents and other outputs developed will be conceptualized by the Irrigation Department with consultant support, and milestones will be established for development activities and outputs. The TA consultants will guide and help structure activities to achieve the outputs, but MEW staff will direct the development of all outputs, so that the Irrigation Department has full ownership of the process and outcomes. Such an approach is critical to meaningful capacity development and long-term sustainability of the TA outcomes. Where appropriate, the planning, strategy, and financial management processes developed will be structured to support and complement existing national planning and budgeting exercises in Afghanistan.¹¹ Stakeholder workshops and public consultation will be fundamental to support all TA activities and outputs to ensure a strong sense of ownership by the Government and the public. Participation in local and foreign conferences, workshops, and training for key officials will reinforce capacity development activities and new management

¹¹ Some administrative processes in the Irrigation Department and Energy Department within MEW may overlap and limited coordination may be required and will be pursued. However, the Irrigation Department acts as a stand-alone agency for most of its policy and management functions so that TA activities can focus on Irrigation Department operations.

processes introduced through the TA. Afghanistan's participation in the TA 6163 (footnote 8) will be coordinated in cooperation with the TA consultants and responsible ADB staff in ECRD.

14. To maximize the development impacts, the consultants will work with the Irrigation Department to integrate the various TA activities, so that the institutional framework, strategic and investment plans, capacity needs assessment and resulting capacity development program, and management and administrative processes are coordinated to support the Irrigation Department's program of work in Kabul and in regional offices. The TA will work to ensure that ADB's assistance program is responsive and most effectively supports the irrigation and water resources sectors and the Irrigation Department.

C. Cost and Financing

15. The total cost of the TA is estimated at \$815,000 equivalent, comprising \$635,000 in foreign exchange and \$180,000 equivalent in local currency. The Government has requested that ADB finance the entire foreign exchange cost and \$120,000 equivalent of the local currency cost. The TA will be financed on a grant basis by ADB's TA funding program. Details of the cost estimates and financing plan are in Appendix 2.

D. Implementation Arrangements

16. The Ministry of Finance will be the Executing Agency and MEW (Irrigation Department) will be the Implementing Agency for the TA.¹² MEW has agreed to (i) select dedicated counterpart staff as required to support the TA; (ii) collect and manage data as needed; (iii) facilitate workshops, seminars, and other training events; and (iv) provide office space and utilities. The deputy minister of the Irrigation Department (i) will oversee the TA, (ii) serve as the direct counterpart for the TA consultants, and (iii) work with ADB to develop and refine the work plan and evaluate the TA. The TA will be implemented over 20 months, from January 2006 to August 2007. The TA will require an inception, final, and quarterly progress reports in addition to other outputs. ADB and MEW will monitor the TA and update the TA's work plan quarterly, after draft progress reports are submitted to them. ADB will recruit consultants individually for a total of 19 person-months of international and 21 person-months of domestic consulting services in IWRM, planning, capacity development, and agency management. The consultant team will be located in the Irrigation Department in Kabul with field visits as required. The consultants will be engaged by ADB in accordance with its *Guidelines on the Use of Consultants* and other arrangements satisfactory to ADB for engaging domestic consultants. The outline terms of reference for consultants are in Appendix 3.

IV. THE PRESIDENT'S DECISION

17. The President, acting under the authority delegated by the Board, has approved the provision of technical assistance not exceeding the equivalent of \$755,000 on a grant basis to the Government of Afghanistan for Capacity Development for Irrigation and Water Resources Management, and hereby reports this action to the Board.

¹² Both the Ministry of Finance and MEW have experience and good performance with previous foreign-assisted TAs.

DESIGN AND MONITORING FRAMEWORK

Design Summary	Performance Targets/Indicators	Data Sources/Reporting Mechanisms	Assumptions and Risks
<p>Impact Improved development effectiveness of Irrigation Department activities through enhanced management support for ongoing operations and capacity development for core organizational functions and IWRM</p>	<p>Increase in number of irrigation and water resources projects and more timely implementation with less reliance on contracted project management support by the end of the TA</p>	<ul style="list-style-type: none"> • ADB review missions • TA outputs, reports, and M&E • Irrigation Department reports to the Government • Review of the national budget and other national planning and development documents • Review and reporting by ADB's development partners 	<p>Assumption</p> <ul style="list-style-type: none"> • The Government will continue to support irrigation and water resources management as vital development sectors. <p>Risk</p> <ul style="list-style-type: none"> • Lack of security will impede TA activities.
<p>Outcome</p> <p>1. Improved decision-making capacity for senior officials</p> <p>2. Improved capacity of MEW staff and institutionalized core organizational processes as well as improvement of the water policy framework</p> <p>3. Improved IWRM and transboundary water resources management</p>	<p>1. Senior officials able to direct all TA-developed activities by the end of the TA</p> <p>2. Defined procedures for core organizational functions in place and Irrigation Department staff able to execute 50% of all procedures by the end of the TA and 100% within 4 years</p> <p>3. Capacity for managing shared water resources with Central Asian riparian neighbors by the end of the TA</p>	<ul style="list-style-type: none"> • ADB review missions • TA outputs, reports, and consultant M&E • Periodic monitoring by AFRM • Irrigation Department reporting to the Government • Review of the national budget and other national planning and development documents • Review and reporting by ADB's development partners 	<p>Assumptions</p> <ul style="list-style-type: none"> • Senior officials will be able to participate and benefit from the capacity building. • The Government will support the reforms and improvements to the core organizational functions. <p>Risks</p> <ul style="list-style-type: none"> • Frequent change of personnel will make it difficult to develop capacity. • Central Asian riparian neighbors will not be receptive to Afghanistan's participation in management of shared waters resources.
<p>Outputs</p> <p>1. Improved policy agenda and institutional framework for irrigation and water resources</p> <p>2. Capacity needs assessment for the irrigation department</p> <p>3. Detailed staffing plan with TOR</p>	<p>1. Action plan for policy and institutional needs in place by month 2 of the TA</p> <p>2. Capacity needs assessment completed by month 6 of the TA</p> <p>3. Detailed staffing plan with TOR completed by month 8 of the TA</p>	<ul style="list-style-type: none"> • ADB review missions • TA outputs, reports and consultant M&E • Periodic monitoring by AFRM • Irrigation Department reporting to the Government • Review of the national budget and other national planning and development documents 	<p>Assumptions</p> <ul style="list-style-type: none"> • The Government will have funds for ongoing budgeting. • The Irrigation Department will have adequate staff to participate in the capacity development activities.

Design Summary	Performance Targets/Indicators	Data Sources/Reporting Mechanisms	Assumptions and Risks
<p>4. Comprehensive and detailed capacity development program that is packaged and costed for aid agency support</p> <p>5. Strategic plan for Irrigation Department and related sectors and process institutionalized to support its development</p> <p>6. Investment and asset management plan for Irrigation Department and related sectors and process institutionalized to support its regular development</p> <p>7. Procedures and guidelines for project development and evaluation</p> <p>8. Aid coordination plan and mechanism</p> <p>9. Irrigation Department budget and budget process and financial management procedures</p> <p>10. Evaluation and improvement/efficiency plan for Irrigation Department administrative procedures</p>	<p>4. Packaged capacity development program for aid agency support by month 10 of the TA and at least 2 components supported by the end of the TA</p> <p>5. Strategic planning process started by month 2 of the TA and strategic plan and procedures for ongoing execution in place by month 14</p> <p>6. Investment planning process started by month 6 of the TA and procedures for its ongoing execution in place by month 14 of the TA</p> <p>7. Project evaluation procedures finished by month 10 of the TA and projects undergoing evaluation from month 11 until the end of the TA</p> <p>8. Initial aid coordination in place and mechanism in place by month 4 of the TA and updated continuously throughout the TA</p> <p>9. Investment budgeting and financial management procedures started by month 8 of the TA and procedures for their ongoing execution in place by end of the TA</p> <p>10. Review improvement/efficiency plan for Irrigation Department administrative procedures by month 12 of the TA</p>	<ul style="list-style-type: none"> • Review and reporting by ADB's development partners 	<ul style="list-style-type: none"> • TA 6163-REG^a will continue to be implemented successfully. <p>Risk</p> <ul style="list-style-type: none"> • Once procedures and processes are established, the Irrigation Department may not continue to use them after consultant support is removed.

Design Summary	Performance Targets/Indicators	Data Sources/Reporting Mechanisms	Assumptions and Risks
<p>11. Plan for management information systems (MIS) and M&E for Irrigation Department's program of work</p> <p>12. Program of activities for participation in TA 6163-REG</p> <p>13. An inception report, a final report, and quarterly progress reports</p>	<p>11. Define and initiate development of MIS and M&E for the Irrigation Department's program of work by month 14 of the TA</p> <p>12. Afghanistan participating in TA 6163-REG activity by month 3 and involved in pilot management study by end of the TA</p> <p>13. All reports submitted and approved on time</p>		
Activities with Milestones		Inputs	
<p>1. Review and evaluate the irrigation and water resources institutional framework and policy agenda to make recommendations for a policy action agenda, to distill overall sector objectives, and recommend optimal institutional/organizational arrangements to guide TA activities. (month 2).</p> <p>2. Conduct interviews with Irrigation Department staff and development partners and review secondary sources to assess the capacity of the department's staff, physical plant, and other resources both in Kabul and the regional offices. Review accomplishments and lessons from the priority reform and restructuring process and ongoing public administration reform as inputs to the capacity needs assessment. (months 2–6).</p> <p>3. Based on activities 1 and 2, define an organizational structure, broad organization functions, and staffing plan with terms of reference for the Irrigation Department staff consistent with broader, ongoing civil service reform efforts. (months 4–8).</p> <p>4. Based on tasks 1, 2, and 3, detail a capacity development program that includes on-site and off-site training, needed recruitment, physical plant, and other resources with discrete components that are packaged for external support. (month 10 of the TA with at least 2 components funded by the end of the TA).</p> <p>5. Using consultative methods (workshops, etc.) with the Government, development partners, and other stakeholders and using the policy and institutional framework to help define objectives, initiate a participatory strategic planning process by month 2 of the TA. Finalize the first strategic plan over the short, medium, and long term and define procedures for its ongoing development by month 14. Implementation of the strategic plan will be under way by the end of the TA.</p> <p>6. Review and iterate to ensure that (i) irrigation and water resources policy and institutional review activities, (ii) development of the strategic plan, and (iii) capacity needs assessment and creation of capacity development program are all linked and mutually reinforcing activities. (months 1–10).</p> <p>7. Based on a review of the strategic planning exercise, policy framework, and sector objectives as well as national planning documents such as the Afghanistan National Development Strategy, develop an investment plan that includes planned aid-assisted programs as well as domestic resources and</p>		<ul style="list-style-type: none"> • An inception mission, at least 3 review missions, and a TA completion mission • Ongoing support from the ADB Afghanistan Resident Mission • 19 person-months of international and 21 person-months of domestic consulting services • Participation of MEW's deputy minister for irrigation • Participation of Irrigation Department staff • Leveraging of development partner resources through the capacity development program 	

Activities with Milestones	Inputs
<p>initiatives. Investment planning should start by month 6 of the TA. The TA should develop project review and evaluation procedures and apply them to planned project activities by month 10. The investment plan and a regular process for its updating should be in place by month 14. Implementation of the investment plan should start by the end of the TA.</p> <p>8. Assistance of development partners should be solicited for their planned sector activities as part of strategic and investment planning. A formal mechanism for aid coordination should be in place by month 4 of the TA with continuous updating throughout the TA.</p> <p>9. Coordinate and support ADB sector activities in the Irrigation Department and dialogue and liaise among ADB headquarters, ADB Resident Mission, ADB contractors, Irrigation Department, and other stakeholders concerned. (ongoing throughout the TA).</p> <p>10. The TA will assess resource needs of the Irrigation Department as well as the recurrent costs for investment plans and develop procedures and processes for annual budgeting by month 8 of the TA. The procedure will be consistent with national budgeting procedures. The budget will be finalized by month 14 and Irrigation Department expenditures should be consistent with the budget by the end of the TA. A financial management plan and procedures for the Irrigation Department will be developed consistent with the budgeting activities as well as with international best practice to assure accountability.</p> <p>11. The TA will review MEW/Irrigation Department and national civil service administrative procedures. The TA will evaluate procedures and make recommendations to streamline and improve accountability for administrative procedures. (month 12).</p> <p>12. The TA will inventory information management needs as well as M&E needs based on all the activities to be pursued under the TA as well as for ongoing activities of the Irrigation Department by month 14. The TA will initiate development of MIS and M&E systems by month 14.</p> <p>13. The TA consultants will liaise with ADB staff and consultants responsible for TA 6163-REG to develop a program of work and interaction for the Government to participate in the TA by month 3. Assuming that policy dialogue allows, the Government should be fully engaged in policy dialogue with Central Asian riparian neighbors who share international waters, by the end of the TA.</p> <p>14. The TA consultants will draft and submit an inception report within 6 weeks of fielding, quarterly progress reports, at least 2 weeks before updating the work plan, a draft final report 6 weeks before the close of the TA, and a final report at the close of the TA.</p>	

ADB = Asian Development Bank, AFRM = Afghanistan Resident Mission, IWRM = integrated water resources management, M&E = monitoring and evaluation, MEW = Ministry of Energy and Water, MIS = management information system, REG = regional, TA = technical assistance, TOR = terms of reference.

^a ADB. 2003. *Technical Assistance for Improved Management of Shared Water Resources in Central Asia*. Manila.

COST ESTIMATES AND FINANCING PLAN
(\$'000)

Item	Foreign Exchange	Local Currency	Total Cost
A. Asian Development Bank Financing (ADB)^a			
1. Consultants			
a. Remuneration and Per Diem			
i. International Consultants	437.0	0.0	437.0
ii. Domestic Consultants	0.0	63.0	63.0
b. International and Local Air Travel	24.0	8.0	32.0
2. Workshops, Conferences, and Capacity Development ^b	105.0	20.0	125.0
3. Office Administration and Communication	0.0	16.0	16.0
4. Equipment ^c	0.0	5.0	5.0
5. Vehicle, Radios, and Running Costs ^d	27.0	8.0	35.0
6. Contingencies	42.0	0.0	42.0
Subtotal (A)	635.0	120.0	755.0
B. Government Financing^e			
1. Office Accommodation	0.0	20.0	20.0
2. Remuneration and Per Diem of Counterpart Staff	0.0	30.0	30.0
3. Data Collection and Management	0.0	5.0	5.0
4. Workshop Facilitation	0.0	5.0	5.0
Subtotal (B)	0.0	60.0	60.0
Total	635.0	180.0	815.0

^a Financed by the ADB's technical assistance (TA) funding program.

^b It is anticipated that \$75,000 of this amount will be used for the Ministry of Energy and Water and the Government of Afghanistan's participation in ADB. 2003. *Technical Assistance for Improved Management of Shared Water Resources in Central Asia*. Manila (TA 6163-REG).

^c Indicative equipment to be procured include computer(s), printer, and photocopy machine. The final list of equipment will be submitted prior to or with the inception report.

^d Vehicle includes one double cab pickup, Codan radio, driver, running costs, and security equipment. To facilitate vehicle purchase, the ADB Afghanistan Resident Mission will procure the vehicle before the TA starts, and the vehicle cost will not be reflected in the TA consultant request for proposal or contract.

^e As per ADB. 2002. *Review of Afghanistan's Classification under ADB Graduation Policy*. Manila, the cost-sharing limit for loans and TA operations for Afghanistan is waived during the period 2002–2004. The waiver has been extended through ADB. 2005. *Extension of the Waiver of the Cost-Sharing Limits for Loans and TA Operation for Afghanistan*. Manila.

Source: ADB estimates.

OUTLINE TERMS OF REFERENCE FOR CONSULTANTS

1. Consulting services of 40 person-months (19 international and 21 domestic) will be required.

A. Specialist for Strategic and Project Planning, Agency Operations Management, and Integrated Water Resources Management (international, 16 person-months)

2. The specific tasks are as follows:

- (i) Work directly with the deputy minister (head of the Irrigation Department) to provide support and strategic advice for ongoing Irrigation Department management activities and for policy, institutional, and technical issues in water resource management and irrigation in Afghanistan.
- (ii) Review project proposals and programs for the Irrigation Department.
- (iii) Assist the Irrigation Department to further develop and refine (a) the policy framework and create a policy action agenda that will guide development and management of the water resources and irrigation sectors including optimal long term institutional arrangements, and (b) the role of the Irrigation Department.
- (iv) Conduct a comprehensive assessment of the capacity needs of the Irrigation Department, including staffing levels and skills; administrative, management, and planning processes; and other required resources to execute its mandate.
- (v) Based on the detailed capacity needs assessment, develop a staffing plan with terms of reference (TOR) (consistent with all forthcoming public administration reform initiatives in Afghanistan) and a detailed capacity development program (including administrative, management, and planning processes and other required resources). The detailed capacity development program should be costed and packaged in components for external funding. Capacity development should support all administrative, management, and technical functions of the Irrigation Department.
- (vi) Assist the Irrigation Department in developing and institutionalizing a regular strategic planning process and draft a strategic plan for the short, medium, and long term for the Irrigation Department and for irrigation and water resources development and management in Afghanistan. The plan should support the policy framework as well as reflect the priorities of the Afghanistan National Development Strategy (ANDS) and any other forthcoming national development documents. Conduct and oversee capacity development activities to support the Irrigation Department during development of the strategic plan.
- (vii) Assist Irrigation Department staff to develop and institutionalize a regular investment planning process including criteria, procedures, and responsibilities for evaluation, prioritization, and selection. Develop a water resources investment plan that includes prioritized sector investments and supports ANDS and other forthcoming national development initiatives. Address in the investment plan the rehabilitation of existing infrastructure, development of new infrastructure, as well as asset management. Conduct and oversee capacity development activities to support the Irrigation Department during development of the investment plan.
- (viii) Work with Irrigation Department staff in developing the methodology and protocols to develop and evaluate project technical and financial proposals and to develop TOR for feasibility studies for water resources and irrigation projects. Make the procedures compatible with aid agency requirements and international

- best practice. Conduct and oversee capacity development activities to support the Irrigation Department in the activities.
- (ix) Assist the Irrigation Department with coordination of aid-assisted projects and programs through development of planning and monitoring mechanisms.
 - (x) Facilitate implementation of Asian Development Bank (ADB)-supported projects and serve as the Irrigation Department liaison between the ADB Afghanistan Resident Mission, ADB headquarters in Manila, and consultants working on ADB projects in Afghanistan.
 - (xi) Work with the Irrigation Department to develop a regular budgeting process and financial plan/procedures for department activities that are consistent with the national budgeting cycle and the technical assistance (TA) investment planning. Include investment costs, recurrent agency costs, and an asset management program. Conduct and oversee capacity development activities to support the Irrigation Department during development of the budgeting and financial management processes.
 - (xii) Work with the Irrigation Department to review and improve administrative procedures and processes to manage the department's program of work. Identify and initiate management information systems (MIS) and monitoring and evaluation (M&E) procedures that will support the TA's program of work as well as ongoing Irrigation Department activities. Conduct and oversee capacity development activities to support the department to improve administrative processes and develop MIS and M&E procedures.
 - (xiii) Facilitate the participation of the Ministry of Energy and Water (MEW) and the Government in TA 6163-REG,¹ as well as other transboundary water resources management activities.
 - (xiv) Identify and facilitate the participation of key Irrigation Department staff in capacity-development activities within Afghanistan as well as abroad to support TA objectives.
 - (xv) Organize workshops and other public consultation activities.

B. Specialist for Strategic and Project Planning, Agency Operations Management, and Integrated Water Resources Management Support (domestic, 17 person-months)

3. The specific tasks are as follows:

- (i) Support the Irrigation Department and the international specialist in strategic and project planning, agency operations management, and integrated water resources management (IWRM) to execute the TOR of the international specialist.
- (ii) Direct and coordinate all local logistical arrangements for TA activities.
- (iii) Provide leadership in workshops and consultation activities to support the TA's program of work.
- (iv) Liaise with MEW and other Government agencies as needed to support the program of work under the TA.

4. **Unallocated Inputs** (international, 3 person-months). These short inputs, which will be identified by the TA consultant in consultation with MEW and ADB, will provide resources for specialists who have in-depth skills and knowledge for assisting with the program of work under

¹ ADB. 2003. *Technical Assistance for Improved Management of Shared Water Resources in Central Asia*. Manila (TA 6163-REG).

the TA. The specialties may include IWRM, capacity development and capacity needs assessment, agency management, financial management, and international waters, among others.

5. **Unallocated Inputs** (domestic, 4 person-months). These short inputs, which will be identified by the TA consultant in consultation with MEW and ADB will provide resources for specialists who have in-depth skills and knowledge for assisting with the program of work under the TA. The specialties may include IWRM, capacity development and capacity needs assessment, agency management, financial management and international waters, among others.