**Second Meeting of SAARC Cabinet Secretaries**

Dhaka, 26-27 April 2014

Best Practices: Afghanistan

National Solidarity Programme

National Solidarity Programme (NSP) was created in 2003 by the [Ministry of Rural Rehabilitation and Development](http://www.mrrd.gov.af/) to develop the ability of Afghan communities to identify, plan, manage and monitor their own development projects. Through the promotion of good local governance, the NSP works to empower rural communities to make decision affecting their own lives and livelihoods. Empowered rural communities collectively contribute to increased human security. The programme is inclusively supporting all of the communities including the poorest and vulnerable people. NSP strongly promotes a unique development paradigm,whereby communities can make important decisions and participate in all stages of their development, contributing their own resources. With the support of FPs, communities elect their leaders and representatives to form voluntary Community Development Councils (CDCs) through a transparent and democratic process.

**Basic Introduction: As of 11th Jadi 1392 or 31st December 2013**

**History:** The NSP was created by the Government of Afghanistan in late 2002, and actual implementation started in May 2003. Known in Dari as “*HambastagiMilli*” and in Pashtu as “*MilliPaiwastoon*”, NSP is based on the Afghan traditions of “*Ashar*” (i.e. community members working together on a volunteer basis to improve community infrastructure) and “*Jirga*” – councils comprised of respected members of the community. Islamic values of *unity, equity* and *justice* are also encouraged.

**Objective:** The NSP aims to build, strengthen and maintain Community Development Councils (CDCs) as effective institutions for local governance and socio-economic development.

**Coverage:** NSP aims to cover all rural communities in Afghanistan which is around 40,900. By September 2015, NSP aims to have established estimated 39,056 CDCs (excluding of communities located in where the NSP implementation is not possible), provided all 39,056 of them with a first round of block grants, and 11,844 of them with a second round of block grants.

**Core Elements:** NSP consists of four core elements:

· Establishment of CDCs in a democratic manner;

· Building the capacities of CDC and community members (both men and women) in a variety of areas, primarily in local-governance and in development.

· Providing direct block grant transfers to fund approved subprojects identified, prioritized and managed by the communities; and

· Linking CDCs to government agencies, NGOs, and donors to improve access to services and resources.

**Phases:** The three phases of NSP to-date are briefly outlined below:

· Phase One (“NSP I”): May 2003 to March 2007. Coverage of around 17,223 communities for the first round of block grants.

· Phase Two (“NSP II”): April 2007 to September 2011: Coverage of an additional around 5,957 communities for the first round of block grants.

· Phase Three (“NSP III”): October 2010 to September 2015: Coverage of an additional around 15876 communities for the first round of block grants, and coverage of a select 11,844 communities for a second round of block   grants.

**Donors:**

 The NSP receives funding from four primary sources: the World Bank’s International Development Association (IDA), the Afghanistan Reconstruction Trust Fund (ARTF), the Japanese Social Development Fund (JSDF) and bilateral donors. Contributors to the NSP via the ARTF include Australia, Canada, Czech Republic, Denmark, EC/EU, Finland, Germany, Norway, Sweden, UK/ DFID, and the United States. Bilateral donors include the Governments/ Embassies/ International Aid Agencies from Cyprus, Denmark, Netherlands, New Zealand, Norway and Switzerland. The proportion of the funding received to-date is as follows: US$ 437.84 Million (22.06 - %) IDA, US$ 1369.48 Million (69.%) ARTF, US$ 41.81 Million (2.11 %) JSDF,  US$ 7.92 Million (0.40%) FPCRTF and US$ 127.63 Million (6.43%) bilateral funds. Funding from some donors are “preferrenced” by geographic are or core components.

 **Budget:** The total NSP budget for the period from May 2003 to September 2015 (not including community contributions) amounts to US$ 2.5 billion. The total expenditure as of 21th Dec 2013- is US$ 1,842.56 Million that may be broadly divided into the core components as follows:

·         Component 1: Establishment and capacity building of CDCs (i.e. all FP costs) = US 307.52 million, i.e. 16.69%

·         Component 2: Community grants for economic and social development (i.e. all block grant costs) = US$ 1,362.25 Million, i.e. 73.93 %

·         Component 3: Project implementation support (i.e. all non-BG and non FP costs) = US$ 172.79 Million, i.e. 9.38 %.

**NSP Structure:**

The Afghanistan Ministry of Rural Rehabilitation and Development (MRRD) serves as the executive agency of the NSP. The NSP Project Implementation Unit (PIU) comprises 1 headquarter, 6 regional coordination and 34 provincial management units. The Headquarter's unit includes an executive and an operations directorate together overseeing a total of 10 departments.The PIU includes a total of 298 headquarter staff with 4 senior management staff and 679 field staff which includes 732 implementation and 249 support staff. An international consultancy firm is contracted as the Financial Management Agent (FMA) to manage the NSP’s bank account and financial operations. 4 individual international consultants provide technical assistance in a variety of key areas.

 **Facilitating Partners (FPs):**

The NSP has contracted a total of 34 FPs to support the communities in NSP field implementation. Their role includes the establishment and capacity building of the CDCs, and the oversight, monitoring and technical assistance in the planning and implementation of the communities’ subprojects financed by the NSP block grants. Currently the contracted FPs includes 1 UN-Agency, 13 national non-for-profit NGOs, 20 international non-for-profit NGOs and 1 national firms and 1international firm.

**Block Grants (BG):** The NSP provides a block grant to each community with an established CDC and a detailed Community Development Plan (CDP). The CDC may decide to utilize its block grant for community prioritized infrastructure subprojects from a relatively open NSP permissible subproject menu. The block grant is determined by the number of families in a community as Afghanis Ten Thousand (AFA 10,000) per family, with a maximum ceiling of Afghanis Three Million (AFA 3,000,000) per community. The entire community’s block grant entitlement needs to be committed into 1 or 2 approved subproject proposals, and disbursements of the same are then made in tranches of 90% followed by 10% into a bank account owned and operated by the CDC on behalf of the community.

 **Sub-Programme:**

The Cluster CDC Pilot: This pilot sub-programme funded by the JSDF to the tune of US$ 10million aims to strengthen the solidarity and coordination between CDCs and enhance the capacity of CCDCs in implementation of bigger subprojects.

This pilot project has been implemented in 67 CCDC of six in three provinces of Afghanistan.

**NSP Outcomes/Impacts:** The outcomes and impacts recorded by a number of internal monitoring and external evaluation/study reports include the following:

·    Local Governance:

o  Created functional councils at village level

o  Created venues for women participation in local governance

o  Increased participation of community members in local governance

·      Access to Services and Increased Production:

o  Provided basic public rural infrastructure

o  Created short-term employment opportunities

o  Time-saving for long-term employment/ education etc

·         Gender

o  Increased women involvement in economic activities

o  Increased respect for women and their acceptance in local governance

o  Increased responsiveness to women’s needs

·         Political Attitudes

o  Connected villages with central government

o  National government has a sustainable presence in Afghan Communities

o  Gap between government and communities reduced

o  Decreased insecurity-related migration

 **Overview of the Outputs of the NSP:** The following two tables provide an overview of the key outputs of the NSP.

NSP Progress as of 31st December 2013

|  |  |  |  |
| --- | --- | --- | --- |
|  |   |   |   |
| **Sector** | **Completed** | **Financed** |
| **# of Subprojects** | **Disbursements USD** | **Beneficiaries** | **# of Subprojects** | **Budget USD** | **Beneficiaries** |
| Education |  5,836 |  37,934,851.14 |  1,914,656 |    6,538 |                        61,225,599 |                    2,104,582 |
| Irrigation |  10,377 |  162,241,037.61 |  3,950,507 |   15,870 |                     293,477,711 |                    6,178,291 |
| Livelihood |   2,481 |  8,964,619.61 |   599,404 |  2,549 |                          9,599,744 |                       613,338 |
| Power |   6,838 |  153,402,919.23 |  3,188,839 |   7,866 |                     183,882,628 |                    3,589,281 |
| Transport |  15,280 |  275,345,700.99 |   6,332,240 |   20,689 |                     420,698,368 |                    8,439,656 |
| Water Supply & Sanitation |  13,164 |  188,752,163.93 |   5,130,090 |   18,584 |                     291,909,993 |                    7,110,006 |
| Miscellaneous |   2,491 |  45,504,364.50 |   992,325 |   5,000 |                     111,582,209 |                    1,765,259 |
| **Grand Total** | **56,467** | **872,145,657.00** |  |  **77,096** | **1,372,376,253.33** |  |

**Who have been the major development and implementation partners of the NSP?**
As the GoA's main instrument for restoring and reconstructing the village social and economic infrastructure, the NSP was established with initial support from the World Bank/International Development Association (WB/IDA) and continues with the support of the IDA and several other donors either bilaterally or through the Afghan Reconstruction Trust Fund (ARTF). With the assistance of 33 FPs inculding one UN agency (UN-Habitat), CDCs are operating or being established in 373 of a total of 408 districts and provincial centers, throughout all 34 provinces of the country.

The FPs facilitate a process of establishing inclusive, voluntary community institutions through CDCs using democratic elections, reaching consensus on development priorities, developing eligible investment proposals, and implementing community projects. FPs provide training and support to communities to enable them to participate fully in the programme. Each agency brings its own expertise to the programme. CDCs are a proven means for donors and Facilitating Partners to contribute sustainable resources and mentorship to Afghan communities.

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| **Facilitating Partners (FPs)** | Date Posted 7/27/2013 |

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| IntroductionNSP has contracted with 33 Facilitating Partners including one UN Agency (UN-Habitat)to work directly with targeted communities to implement NSP activities at the local level. More than 4,000 FP staff support programmeimplementation. Specific activities undertaken by FPs include:* Educating communities on NSP policies and procedures;
* Facilitating fair and open elections of Community Development Councils (CDCs);
* Providing technical assistance to help CDCs prepare a Community Development Plan, develop subproject proposals, and promote values of transparency and inclusiveness;
* Providing other assistance during project implementation;
* Training CDC members in management skills;
* Conducting monitoring and reporting.
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