



**Independent  
Commission  
for Aid Impact**

## **Terms of Reference**

### **DFID's Bilateral Support to Growth and Livelihoods in Afghanistan**

#### **1. Introduction**

1.1 The Independent Commission for Aid Impact (ICAI) is the independent body responsible for scrutinising UK aid. We focus on maximising the effectiveness of the UK aid budget for intended beneficiaries and on delivering value for money for UK taxpayers. We carry out independent reviews of aid programmes and of issues affecting the delivery of UK aid. We publish transparent, impartial and objective reports to provide evidence and clear recommendations to support UK Government decision-making and to strengthen the accountability of the aid programme. Our reports are written to be accessible to a general readership and we use a simple 'traffic light' system to report our judgement on each programme or topic we review.

1.2 We have decided to undertake a review of DFID's growth and livelihoods programme in Afghanistan to assess the impact it delivers for intended beneficiaries and the extent to which it has made preparations to continue operating projects under likely future scenarios. Perhaps the most important challenge DFID faces in Afghanistan is its operational context as security control is fully handed over from the International Security Assistance Force (ISAF) to the Afghan National Security Forces (ANSF) by the end of 2014. We will examine how DFID manages its growth and livelihoods projects in this difficult environment and how it is responding, in the regions where it is active, to the current and future needs of the Afghan people.

1.3 These Terms of Reference outline the purpose and nature of this review and identify the main themes that it will investigate. A detailed methodology will be developed during the inception phase.

#### **2. Background**

##### *The Afghan context*

2.1 Afghanistan has a population of 27.5 million and, with a Gross Domestic Product (GDP) per person of around £400,<sup>1</sup> is one of the poorest countries in the world.<sup>2</sup> More than a third of the population lives below the poverty line; life expectancy is 49 years and only one in four Afghans over 15 is literate.<sup>3</sup> Women and girls face inequality in political decision-making, domestic and community relations and participation in the wider economy.

2.2 Afghanistan received £9.8 billion of aid in 2010-11, the highest of any country. Only £1.2 billion (12%) of this was delivered through the Government of Afghanistan.<sup>4</sup> The largest donor to Afghanistan is the United States, providing over £93 billion since 2002 to build Afghan security forces, improve governance and foster economic development.<sup>5</sup>

2.3 Donors have funded a wide range of assistance including infrastructure and public services, directly through the Government of Afghanistan and, partly, via non-governmental organisations (NGOs). The World Bank concluded in 2013 that 'substantial improvements have taken place in the

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<sup>1</sup> In these Terms of Reference, we have used pounds sterling figures provided by DFID wherever possible. Where figures are only available in a foreign currency, unless otherwise stated, we have translated into pounds sterling using the applicable average annual exchange rate (see: <http://www.oanda.com/currency/average>).

<sup>2</sup> *Afghanistan Economic Update*, World Bank, 2013, [http://www.wds.worldbank.org/external/default/WDSContentServer/WDSP/IB/2013/05/02/000333037\\_20130502161223/Rendered/PDF/770830REVISED0b0x377289B00PUBLIC00.pdf](http://www.wds.worldbank.org/external/default/WDSContentServer/WDSP/IB/2013/05/02/000333037_20130502161223/Rendered/PDF/770830REVISED0b0x377289B00PUBLIC00.pdf).

<sup>3</sup> *Afghanistan in Transition: Looking beyond 2014*, World Bank, 2013, <https://openknowledge.worldbank.org/bitstream/handle/10986/13107/758480PUB0EPI0001300PUBDATE02028013.pdf?sequence=1>.

<sup>4</sup> The definition of 'aid' here includes both development aid and spending on the Afghanistan Security Forces. *Afghanistan in Transition: Looking Beyond 2014*, World Bank, 2013, <https://openknowledge.worldbank.org/bitstream/handle/10986/13107/758480PUB0EPI0001300PUBDATE02028013.pdf?sequence=1>.

<sup>5</sup> *Quarterly Report to the United States Congress*, Special Inspector General for Afghanistan Reconstruction, 2013, <http://www.sigar.mil/pdf/quarterlyreports/2013-04-30qr.pdf>.

lives of Afghans over the last 10 years<sup>6</sup> and, in 2012, the International Development Committee (IDC) stated that ‘international assistance has undoubtedly improved life for Afghans and built the capacity of Afghan institutions’.<sup>7</sup> Improvements include:

- 5.9 million children (including 2.3 million girls) are going to school (an increase from 1 million children under the Taliban – who were predominantly boys);<sup>8</sup>
- approximately 57% of the population now have access to a health facility within one hour’s walk (9% in 2002);<sup>9</sup>
- 48% of women receive antenatal care<sup>10</sup> (16% in 2003<sup>11</sup>); and
- in the 2010 parliamentary elections, 40% of the voters were women with women winning 27% of seats.<sup>12</sup>

2.4 Corruption is an on-going problem that undermines development and erodes citizens’ confidence in the Government of Afghanistan.<sup>13</sup> In 2012, Afghanistan was ranked joint last on the Corruption Perceptions Index, along with North Korea and Somalia.<sup>14</sup>

2.5 The Government of Afghanistan and international donors, including the UK, met in Tokyo in July 2012 to reaffirm their partnership to support the sustainable growth and development of Afghanistan over the forthcoming ‘Transformation Decade’ (2015-24).<sup>15</sup> As a result, donors will continue to fund the 22 National Priority Programs (NPPs) – which focus on economic growth, revenue generation, job creation and the provision of social services – providing the Government of Afghanistan continues to progress agreed political and economic reforms. The World Bank estimates that Afghanistan will need nearly £5 billion of budgetary assistance in every year of the Transformation Decade to sustain reconstruction projects, fund Afghan security forces and cover the large financial gap between the Government of Afghanistan’s domestic revenues and its operational costs.<sup>16</sup>

#### *Current and future challenges*

2.6 In February 2013 there were approximately 100,000 International Security Assistance Force (ISAF) troops from 50 nations in Afghanistan, of which 9,000 were British. The planned drawdown<sup>17</sup> is expected to remove around a half of the British ISAF troops by December 2013. There will be no international troops in a combat role from the end of 2014.<sup>18</sup> For 2015 onwards, the exact size and nature of any military training, advising and assistance role are still to be resolved.

2.7 Insecurity continues to make the process of becoming a peaceful and stable state difficult. The challenges facing Afghanistan during the drawdown are considerable. There is a significant risk that security could worsen with severe implications for private sector investment, aid to the poor and the development of a viable state. The UK Government and the World Bank have each commented on the dangers of reducing development aid to Afghanistan. They highlight the increased risks from reducing available funds for the Government of Afghanistan’s expenditure on public services, thereby exacerbating social stresses on the urban and rural poor.<sup>19</sup>

<sup>6</sup> *Afghanistan in Transition: Looking Beyond 2014*, World Bank, 2013, <https://openknowledge.worldbank.org/bitstream/handle/10986/13107/758480PUB0EPI0001300PUBDATE02028013.pdf?sequence=1>.

<sup>7</sup> *Afghanistan: Development progress and prospects after 2014*, International Development Committee, 2012, <http://www.publications.parliament.uk/pa/cm201213/cmselect/cmintdev/403/403.pdf>.

<sup>8</sup> *Afghanistan: Development progress and prospects after 2014*, International Development Committee, 2012, <http://www.publications.parliament.uk/pa/cm201213/cmselect/cmintdev/403/403.pdf>.

<sup>9</sup> *Afghanistan: Development progress and prospects after 2014*, International Development Committee, 2012, <http://www.publications.parliament.uk/pa/cm201213/cmselect/cmintdev/403/403.pdf>.

<sup>10</sup> See [http://www.childinfo.org/antenatal\\_care\\_country.php](http://www.childinfo.org/antenatal_care_country.php).

<sup>11</sup> *Afghanistan Country Profile: Maternal, Newborn & Child Survival*, UNICEF, March 2012, <http://www.childinfo.org/files/maternal/DI%20Profile%20-%20Afghanistan.pdf>.

<sup>12</sup> *Operational Plan 2011-2015*, DFID Afghanistan, 2013, [https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/209876/Afghanistan1.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/209876/Afghanistan1.pdf).

<sup>13</sup> *Afghanistan: A Synthesis Paper of Lessons from Ten Years of Aid*, World Bank, 2013.

<sup>14</sup> Corruptions Perception Index, Transparency International, 2012, <http://cpi.transparency.org/cpi2012/results>.

<sup>15</sup> ‘Transformation Decade’ is a term first used in The Kabul Process, see: <http://www.thekabulprocess.gov.af>.

<sup>16</sup> *Afghanistan in Transition: Looking Beyond 2014*, World Bank, 2013, <https://openknowledge.worldbank.org/bitstream/handle/10986/13107/758480PUB0EPI0001300PUBDATE02028013.pdf?sequence=1>.

<sup>17</sup> ‘Drawdown’ refers to the withdrawal of troops from Afghanistan.

<sup>18</sup> See [http://www.nato.int/cps/en/natolive/official\\_texts\\_68828.htm](http://www.nato.int/cps/en/natolive/official_texts_68828.htm).

<sup>19</sup> Extracted from: *Operational Plan 2011-2015*, DFID Afghanistan, 2013, [https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/209876/Afghanistan1.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/209876/Afghanistan1.pdf); *Afghanistan: Development progress and*

## DFID's programme in Afghanistan

2.8 DFID works to an integrated National Security Council (NCS) strategy for Afghanistan with the Foreign and Commonwealth Office (FCO), the Ministry of Defence (MOD) and other UK Government departments including the Home Office and the Serious Organised Crime Agency (SOCA). In 2006 the UK set out its commitment to help the country with a ten-year Development Partnership Arrangement with the Government of Afghanistan.<sup>20</sup> The UK's Prime Minister and the President of Afghanistan reaffirmed their partnership by signing the Enduring Strategic Partnership in 2012. This strategic agreement does not set out a long-term operational plan but it does confirm their joint 'commitment to long term partnership and friendship based on the mutual respect of sovereign states and shared interests'. The areas of mutual interest include political dialogue, security, governance and the rule of law, economic and social development and cultural links.<sup>21</sup>

2.9 DFID Afghanistan is located in the British Embassy in Kabul with a decreasing number of staff based in Helmand (see Figure 1). DFID takes the lead on the viable state objective for the UK under the NCS strategy. This includes economic development, better governance and public service delivery. A multi-donor, intergovernmental Provincial Reconstruction Team (PRT) based in Lashkar Gah leads on Helmand stabilisation and development. DFID leads the multi-agency PRT team supporting the delivery of the social and economic development aspects of the Helmand Plan.

**Figure 1: Map of Afghanistan's 34 provinces and provincial capitals**



prospects after 2014, International Development Committee, 2012, <http://www.publications.parliament.uk/pa/cm201213/cmselect/cmintdev/403/403.pdf>; *Afghanistan: A Synthesis Paper of Lessons from Ten Years of Aid*, World Bank, 2013; and *Afghanistan Economic Update*, World Bank, 2013, [http://www-wds.worldbank.org/external/default/WDSContentServer/WDSP/IB/2013/05/02/000333037\\_20130502161223/Rendered/PDF/770830REVISED0b\\_ox377289B00PUBLIC00.pdf](http://www-wds.worldbank.org/external/default/WDSContentServer/WDSP/IB/2013/05/02/000333037_20130502161223/Rendered/PDF/770830REVISED0b_ox377289B00PUBLIC00.pdf).

<sup>20</sup> *Operational Plan 2011-2015*, DFID Afghanistan, 2013,

[https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/209876/Afghanistan1.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/209876/Afghanistan1.pdf).

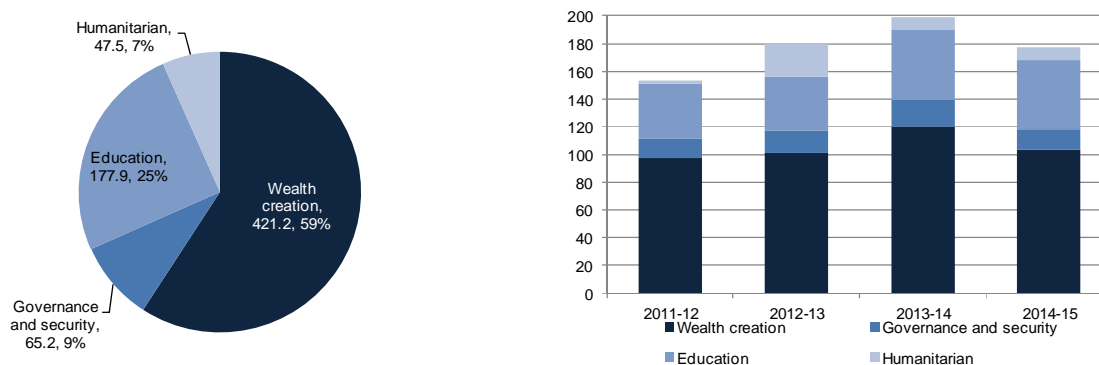
<sup>21</sup> *The Enduring Strategic Partnership Agreement between The Islamic Republic of Afghanistan and The United Kingdom of Great Britain and Northern Ireland*, 2012. [https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/36449/uk-a-strat-partner.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/36449/uk-a-strat-partner.pdf).

2.10 DFID Afghanistan's vision is for 'a more peaceful, stable, viable and prosperous Afghanistan'.<sup>22</sup> DFID plans to spend £711.9 million over the period 2011-15, focussed on three priority areas:

- **Supporting peace, security and political stability:** strengthening support for civil society, including women's, youth and disabled groups; increasing political participation; improving conditions in Helmand; helping the police to provide better safety and security; and strengthening humanitarian work;
- **Promoting economic stability, growth and jobs:** funding large-scale infrastructure, agriculture, business development and community infrastructure; reforming the investment climate; and raising levels of tax revenue; and
- **Helping the state to deliver improved services:** reducing corruption; providing education and vocational skills, including for women and girls; improving public financial management; and building capacity in local government.<sup>23</sup>

2.11 DFID's 2011-15 Operational Plan identifies four areas of spending: governance and security, education, wealth creation and humanitarian aid, as shown in Figure 2. In addition, DFID will spend £43.5 million on operational costs (frontline staff pay and other costs).<sup>24</sup>

**Figure 2: DFID's planned programme expenditure 2011-15 (£ millions)<sup>25</sup>**



2.12 DFID's programme in Afghanistan, in July 2013, consists of 43 active projects. DFID's largest single contribution under this programme is to the World Bank-led Afghanistan Reconstruction Trust Fund (ARTF), which is the main mechanism for providing assistance for delivery of services by the Government of Afghanistan. For the period 2009-16, DFID will contribute approximately 40% of total programme expenditure to this fund. The balance of DFID's expenditure in Afghanistan is allocated to its bilateral programme.

2.13 The growth and livelihoods portfolio, excluding DFID's contribution to the ARTF, focusses on rural and urban livelihoods and jobs, infrastructure and technical assistance/capacity building. Through its bilateral growth and livelihoods projects, DFID aims to create 71,500 jobs for Afghan men and women by 2015.<sup>26</sup> The majority of these jobs will be in agriculture, which provides approximately 30% of Afghan GDP and employs 70% of the population.<sup>27</sup> Support to these areas contributes to the promotion of licit livelihoods, creates jobs, raises incomes and builds confidence in national and provincial government through effective delivery of services.

<sup>22</sup> *Operational Plan 2011-2015*, DFID Afghanistan, 2013, [https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/209876/Afghanistan1.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/209876/Afghanistan1.pdf).

<sup>23</sup> These three priority areas are set out in DFID's Operational Plan for Afghanistan, see: *Operational Plan 2011-2015*, DFID Afghanistan, 2013, [https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/209876/Afghanistan1.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/209876/Afghanistan1.pdf).

<sup>24</sup> *Operational Plan 2011-2015*, DFID Afghanistan, 2013, [https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/209876/Afghanistan1.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/209876/Afghanistan1.pdf).

<sup>25</sup> Due to rounding error, the activities in this figure sum to £711.8 million. DFID's total planned expenditure in the period 2011-15 is £711.9 million. DFID reports programme expenditure under these standard headings, which it refers to as 'strategic pillars'.

<sup>26</sup> *Operational Plan 2011-2015*, DFID Afghanistan, 2013, [https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/209876/Afghanistan1.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/209876/Afghanistan1.pdf).

<sup>27</sup> *Securing Durable Development in Afghanistan, Policy Notes for the Government*, World Bank Economic Policy & Poverty Unit, South Asia Region, World Bank. April 2010, <https://openknowledge.worldbank.org/bitstream/handle/10986/12364/543120ESW0W0HIT0stan0April028002010.pdf?sequence=1>.

2.14 DFID has had a strong programmatic emphasis on Helmand province. National-level programmes have benefitted the province and it has accounted for an average of 10% of DFID's direct programme expenditure since 2006-07. This proportion is decreasing, however, as DFID's projects in Helmand end with the closure of the PRT in 2014.<sup>28</sup> Helmand is agriculturally productive but conflict and underinvestment limit farmers' access to modern farming techniques and restrict progress towards the replacement of poppy cultivation with viable licit crops. Investment is needed to build the capacity of farmers, traders and small businesses, to strengthen agricultural value chains and to provide stable jobs. DFID's focus on Helmand province aligns with the Afghanistan National Development Strategy and the Combined Team's<sup>29</sup> 'Helmand Plan'.<sup>30</sup>

2.15 DFID selects funding channels and delivery partners for its projects 'based on burden-sharing and ability to deliver'.<sup>31</sup> International and national civil society organisations, NGOs and private sector managing agents currently deliver DFID's projects that assist beneficiaries directly (i.e. those projects which are not delivered through the Government of Afghanistan's budget).<sup>32</sup>

### 3. Purpose

3.1 To assess the impact of DFID's growth and livelihoods projects on intended beneficiaries and examine how DFID identifies and responds to their changing needs during and after the drawdown of international troops.

### 4. Relationship to other reviews

4.1 DFID published a detailed evaluation of its Afghanistan programme in 2009, covering the period 2002-08.<sup>33</sup> Its recommendations informed the development of the current country plan. This evaluation report stated that 'impact assessment has been difficult, partly due to the weaknesses in project-level results frameworks but also due to the inherent difficulties of measuring impact in an insecure environment'. It stressed that lack of data was a problem in assessing impact. It concluded that non-ARTF projects were under-performing, with 48% (by value) of DFID's on-going projects unlikely to achieve their targets in 2006-07.

4.2 In 2012 ICAI carried out a review of *DFID's Programme Controls and Assurance in Afghanistan*.<sup>34</sup> It found that, although operating in exceptionally difficult circumstances, DFID's 'financial management processes are insufficiently robust and that DFID does not give sufficient importance to identifying and managing risks in the design and delivery of its programmes'. DFID produced a management action plan in response to the review's recommendations and has made good progress on implementing the actions.<sup>35</sup>

4.3 Two further ICAI reports are relevant to this review. In 2012, ICAI looked at DFID's electoral support delivered through the United Nations Development Programme (UNDP), with Afghanistan as one of the case study countries.<sup>36</sup> This found that UNDP prioritised the delivery of a particular election over capacity building, thus undermining the potential for sustainable impact. In 2011, ICAI reported on *The Department for International Development's Approach to Anti-Corruption*, in which it

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<sup>28</sup> *Operational Plan 2011-2015*, DFID Afghanistan, 2013,

[https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/209876/Afghanistan1.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/209876/Afghanistan1.pdf).

<sup>29</sup> The Combined Team consists of: Provincial Governor, Regional Command (Southwest), Regional Platform (Southwest), Helmand Provincial Reconstruction Team, Afghan Uniform Police and Afghan National Army 215 Corps.

<sup>30</sup> *Helmand Growth Programme: Annual Review*, DFID, 2012, see: <http://projects.dfid.gov.uk/project.aspx?Project=201023>.

<sup>31</sup> *Operational Plan 2011-2015*, DFID Afghanistan, 2013,

[https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/209876/Afghanistan1.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/209876/Afghanistan1.pdf).

<sup>32</sup> *Operational Plan 2011-2015*, DFID Afghanistan, 2013,

[https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/209876/Afghanistan1.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/209876/Afghanistan1.pdf).

<sup>33</sup> *Evaluation Report EV696, Country Programme Evaluation Afghanistan*, DFID, 2009,

[https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/67734/afghan\\_eval.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/67734/afghan_eval.pdf).

<sup>34</sup> *The Department for International Development: Programme Controls and Assurance in Afghanistan*, ICAI, 2012,

[http://icai.independent.gov.uk/wp-content/uploads/2012/03/ICAI-Afghanistan-Final-Report\\_P11.pdf](http://icai.independent.gov.uk/wp-content/uploads/2012/03/ICAI-Afghanistan-Final-Report_P11.pdf).

<sup>35</sup> *DFID Management Response to the Independent Commission for Aid Impact recommendations on:*

*Programme controls and assurance in Afghanistan*, March 2013 update, DFID,

[https://www.gov.uk/government/uploads/system/uploads/attachment\\_data/file/180810/March\\_2013\\_ICAI\\_Progress\\_Update\\_-\\_DFID\\_Programme\\_Controls\\_and\\_Assurance\\_in\\_Afghanistan\\_P1.pdf](https://www.gov.uk/government/uploads/system/uploads/attachment_data/file/180810/March_2013_ICAI_Progress_Update_-_DFID_Programme_Controls_and_Assurance_in_Afghanistan_P1.pdf).

<sup>36</sup> *Evaluation of DFID's Electoral Support through UNDP*, ICAI, 2012, <http://icai.independent.gov.uk/wp-content/uploads/2010/11/UNDP-report-FINAL.pdf>.

highlighted the risk to DFID of increasing its aid disbursements to fragile and conflict-affected states.<sup>37</sup> This report recommended that DFID develop explicit anti-corruption strategies in countries assessed as having a high risk of corruption. DFID responded positively to ICAI's recommendations.

4.4 In 2012, the IDC published *Afghanistan: Development Progress and Prospects After 2014*, in which it made several recommendations to DFID, including increasing the priority of girls' education and humanitarian aid and suggesting that DFID focus its projects on poorer and more secure areas.<sup>38</sup> The IDC also noted that DFID faces a serious problem in monitoring its programme because security conditions often prevent DFID's staff visiting projects. The UK Government responded in 2013<sup>39</sup> restating its intention 'to continue to provide development assistance in Afghanistan at current levels [approximately £180 million per year] through to at least 2017'. With regard to shifting its focus, DFID agreed, stating that 'events in the coming years, including the Presidential elections and security transition, could impact on its programme [therefore DFID has] undertaken a detailed scenario planning exercise. [...] When designing new programmes, DFID staff will use this work to inform business case risk analysis and to ensure projects are able to adjust effectively as required'.<sup>40</sup>

4.5 In 2013, the Defence Committee of the House of Commons published *Securing the Future of Afghanistan*. This report looked at the transfer of military responsibility and the withdrawal of ISAF troops. Several recommendations were made, including asking the UK Government to clearly articulate the areas it will fund and support post-2014 and to set out how it sees its future role in Afghanistan. The Defence Committee also requested the UK Government to undertake a comprehensive and detailed lessons learned process in 2015, to be used when looking forward to the future decision-making processes of the MOD, DFID, the FCO and other UK government departments.

4.6 There have also been several reviews of the World Bank-led ARTF. The World Bank commissioned three external reviews, in 2005, 2008 and 2012. The most recent set out a range of recommendations to prepare for the drawdown. These included ways to deal with uncertainty and to support local capacity-building for sustainable development. They proposed a shift of finance from a project-based to a sectoral approach, when local ministries have the capacity to disburse funds.<sup>41</sup> The extensive prior evaluation of the ARTF is, in part, why this review will focus on DFID's bilateral projects.

## 5. Analytical Approach

5.1 This review will focus on DFID's bilateral growth and livelihoods projects in Afghanistan. This will allow us to trace the links from its projects to impact on intended beneficiaries and to maintain a clear focus on DFID, which would be less achievable if examining the work of pooled funds. In addition, although the ARTF receives a large proportion of DFID's funds in Afghanistan, it has been evaluated extensively. The approach adopted in this review will complement ICAI's previous report on DFID's controls and assurance in Afghanistan.

5.2 We will review DFID's bilateral growth and livelihoods projects in Afghanistan at two levels:

- **At the strategic level:** we will seek to understand the context, issues and challenges faced by DFID in Afghanistan. We will examine the decisions DFID has taken with regard to the objectives and delivery of its growth and livelihoods projects and question the suitability and sustainability of project designs given likely future scenarios. Using existing reports, reviews and evaluations, we will assess the extent to which impact for intended beneficiaries has been achieved and is likely to be sustained. Interviews with DFID's staff and reviews of

<sup>37</sup> *The Department for International Development's Approach to Anti-Corruption*, 2011, ICAI, <http://icai.independent.gov.uk/wp-content/uploads/2010/11/DFIDs-Approach-to-Anti-Corruption.pdf>.

<sup>38</sup> *Afghanistan: Development progress and prospects after 2014*, International Development Committee, 2012, <http://www.publications.parliament.uk/pa/cm201213/cmselect/cmintdev/403/403.pdf>.

<sup>39</sup> The UK Government first announced its intention to provide development assistance at these levels at the 2012 Tokyo Development Conference. DFID will provide a further £47 million in education funding to Afghanistan between 2013-16, alongside its bilateral programme, as part of the Girls Education Challenge.

<sup>40</sup> *Afghanistan: Development progress and prospects after 2014: Government Response to the Committee's Sixth Report of Session 2012-13*, International Development Committee, 2013, <http://www.publications.parliament.uk/pa/cm201213/cmselect/cmintdev/862/862.pdf>.

<sup>41</sup> *ARTF at a Cross-Roads: History and the Future*, Scanteam, 2012, [http://www-wds.worldbank.org/external/default/WDSContentServer/WDSP/IB/2012/10/11/000386194\\_20121011032930/Rendered/PDF/731450WP0ARTF000disclosed0100100120.pdf](http://www-wds.worldbank.org/external/default/WDSContentServer/WDSP/IB/2012/10/11/000386194_20121011032930/Rendered/PDF/731450WP0ARTF000disclosed0100100120.pdf).

strategic plans and project documentation are likely to be the primary methods of data collection at this level; and

- **At the project level:** we will look at how selected growth and livelihoods projects are meeting their intended aims and the extent to which they focus on and achieve impact for intended beneficiaries. At this level, we will conduct a detailed examination of project documentation, interview DFID's and its partners' staff and undertake our own fieldwork to interview intended beneficiaries and other stakeholders, including officials in the Government of Afghanistan (most likely at local government level) and representatives of other donor agencies operating in Afghanistan.

5.3 We will select a sample from DFID's bilateral growth and livelihoods projects in Afghanistan. The following criteria guide our project selection:

- **Intended beneficiaries:** projects in which the large majority of intended direct beneficiaries are the poor is our primary criterion;
- **Access and security:** we will need to take early and on-going advice from DFID about the feasibility of reaching particular locations, given a changing security picture;
- **Geography:** a representative selection of DFID's work in rural and urban areas, with a specific interest in Helmand, due to DFID's concentration of smaller projects in that province;
- **Data availability:** projects where we consider that sufficient data exist for a fair evaluation to be conducted and projects where additional fieldwork would contribute useful information;
- **Size:** projects of different sizes, both in terms of budget and number of intended beneficiaries (we will only consider projects in excess of £5 million, an amount chosen to eliminate smaller projects that were not designed to reach large numbers of intended beneficiaries); and
- **Timing:** projects that are on-going or were completed in 2010 or more recently.

5.4 Based on these criteria, 12 projects have been initially shortlisted, as shown in Figure 3 on page 8. During an inception phase, we will identify between five and seven of these to be the focus of our review and select at least two for detailed field research.

**Figure 3: Shortlist of DFID's bilateral growth and livelihoods projects in Afghanistan<sup>42</sup>**

	Project name	Purpose	Location	Budget (£ millions)	Period
<b>Livelihoods</b>					
1	Helmand Agriculture and Rural Development Programme	To increase the economic opportunities of the rural poor in Helmand, including those that make a living from growing poppies, through integrated support to improve their livelihood options	Helmand	32.7	2006-11
2	Helmand Alternative Livelihoods Programme	To increase wheat production for Helmand farmers and support government institutions to implement rural livelihoods and counter-narcotics programmes	Helmand	4.6	2009-10
3	Increasing Food Production For Afghanistan	To improve access for farmers to subsidised agricultural inputs and to credit by seed enterprises to increase staple food production in Afghanistan during the 2008/09 agricultural season	Nationwide	5.5	2008-10
4	Microfinance Investment Support Programme	To help microfinance service institutions expand access to financial services to meet the needs and demands of many poor Afghans, especially women	27 provinces	30.0	2004-10
5	Strengthening the Agriculture Sector in Afghanistan	To strengthen the agriculture sector in Afghanistan	Helmand and Bamiyan	12.9	2012-15
6	Support to Demining (Phase I) <sup>43</sup>	To return 160 million square metres of high priority mined land and explosive remnants of war contaminated land to productive use and contribute to the achievement of the Afghan compact benchmark for mine action and ammunition	Herat	11.4	2008-13
<b>Growth</b>					
7	Helmand Growth Programme	To support businesses and producers in selected districts of Helmand to increase the potential for licit economic growth	Helmand	18.8	2010-14
8	Road Improvement in Central Helmand	To improve and contribute to significant growth in Helmand's licit economy, providing growing opportunities for the population	Helmand	7.7	2010-13
10	Lashkar Gah to Gereshk Road Improvement Project	To improve links between strategic economic locations in Helmand in order to support economic growth and improve livelihoods for the local population	Helmand	8.5	2009-13
11	Bost Airfield and Agricultural Business Park	To improve access for Helmand entrepreneurs to agricultural processing and export opportunities	Helmand	7.1	2009-14
12	Road Rehabilitation and Maintenance Programme	To support the rehabilitation of 45 kilometres of regional highway Route 601, repairs to Bolan bridge and the development of highway maintenance capacity within the Ministry of Public Works	Helmand	19.5	2012-16

<sup>42</sup> Project data from Development Tracker, <http://devtracker.dfid.gov.uk/>.

<sup>43</sup> The outcome for the demining project is 'increased legal livelihood opportunities for the poorest and most vulnerable communities, including returnees, in Herat Province', see: <http://projects.dfid.gov.uk/project.aspx?Project=113644>.



## **6. Indicative Evaluation Questions**

6.1 This review will use as its basis the standard ICAI guiding criteria and evaluation framework, which are focussed on four areas: objectives, delivery, impact and learning. The questions outlined below are based on those questions in our standard evaluation framework which are of particular interest to this review. The full, finalised list of questions that we will consider will be specified in an inception phase.

### **6.2 Objectives**

- 6.2.1 Is there a clear and convincing plan (a 'theory of change') with evidence and assumptions to show how DFID's growth and livelihoods projects will lead to the desired impact under current and likely future scenarios?
- 6.2.2 Is DFID's bilateral growth and livelihoods portfolio well-designed, with appropriate choices of projects, funding options and delivery channels, particularly in relation to the drawdown and post-2014 needs of the Afghan people?
- 6.2.3 Are the objectives of DFID's growth and livelihoods projects developed in consultation with the intended beneficiaries and are they appropriate to differing needs (such as minority groups) and to current and likely future scenarios?

### **6.3 Delivery**

- 6.3.1 Does programme roll-out involve and take into account the needs of the intended beneficiaries under current and likely future scenarios?
- 6.3.2 Are risks to the achievement of the objectives identified and managed effectively, given the financial management and corruption challenges?
- 6.3.3 Does the performance of delivery channels suggest their design and management are effective?

### **6.4 Impact**

- 6.4.1 Are DFID's growth and livelihoods projects delivering against their agreed results?
- 6.4.2 Are DFID's growth and livelihoods projects delivering clear, significant and timely benefits for the intended beneficiaries, particularly for the poorest?
- 6.4.3 Is there or is there likely to be a long-term and sustainable impact from DFID's growth and livelihoods projects?

### **6.5 Learning**

- 6.5.1 Are there appropriate arrangements for monitoring inputs, processes, outputs, results and impact?
- 6.5.2 Is there evidence of innovation and use of global best practice (in particular from DFID's work in other fragile environments such as Iraq) and has the critique of this area in earlier reports led to real change?
- 6.5.3 Are appropriate amendments being made to DFID's growth and livelihoods projects to take account of changing circumstances, particularly to ensure interventions are sustained, during the post-2014 period?

## **7. Outline Methodology**

7.1 A full methodology will be developed during the inception phase. Further research, preparation and fieldwork will be conducted in two stages. Stage one, advanced preparation, may include:

- an assessment of DFID's Operational Plan for Afghanistan and its additional planning and preparations for likely future scenarios – including the potential for further humanitarian work if security circumstances change and development work becomes more difficult or, in some areas, impossible;
- a strategic review of DFID's growth and livelihoods projects and of how these relate to the broader Afghanistan programme; and

- a detailed desk-based review of our focus projects and preparation for fieldwork in Afghanistan for at least two of these.

7.2 During stage two, we will conduct field research in Afghanistan to evaluate the impact of DFID's projects on intended beneficiaries and to develop an understanding of how its work translates into improved livelihoods by listening directly to the perspectives of the Afghan people whom the projects aimed to help. Given the difficult security and cultural environment in Afghanistan, this element of the review will need to be carefully planned and will involve a number of steps. We will be contracting local partners to assist with field research. We intend to approach the field work as follows:

- **Preparation:** liaison with and appointment of local Afghan research partners; preparation of a training programme for the Afghan partners; development of a qualitative questionnaire and selection of target individuals and groups to be interviewed by the Afghan research partners;
- **Training:** training Afghan research partners in Kabul (selected qualitative interview techniques; data needs for this evaluation; detailed discussion of ICAI policy and development of interview guidelines to manage potential risks);
- **Outside Afghanistan:** liaison with and supervision of the Afghan research partners, subsequent to the training and field test, until the end of the fieldwork;<sup>44</sup> and
- **Core ICAI field visit:** de-briefing Afghan research partners; interviews in Kabul; visits to selected provinces to carry out direct assessments of sample projects.

7.3 Field visits by the core review team will be closely co-ordinated with DFID's security management. Our intention is to interview intended beneficiaries and a variety of other stakeholders. Interviewees are likely to include:

- intended beneficiaries and beneficiary representatives (e.g. Community Development Councils, District Development Assemblies);<sup>45</sup>
- DFID staff, implementing partners and national counterparts;
- officials of the Government of Afghanistan, local dignitaries and tribal leaders;
- civil society organisations; and
- UK and international experts on the design, delivery, monitoring and evaluation of humanitarian and long-term aid interventions.

## 8. Timing and deliverables

8.1 This review will be overseen by Commissioners and implemented by a small team from ICAI's consortium. The lead Commissioner for this study is Mark Foster. The review will take place in the third and fourth quarters of 2013 and will be published in early 2014.

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<sup>44</sup> Supervising the local team remotely is necessary because it is not always possible safely to accompany the local research teams. Some direct supervision, including joint field visits with the Afghan partners, will be important to test the interview guidelines and the overall research methodology. We will, however, need to be guided by security constraints on the ground. Our intention is to limit any direct supervision of the Afghan research teams to the first few days of the fieldwork and to carry this out in a comparatively safe research location. After this, the Afghan research teams will be supervised remotely while they continue alone.

<sup>45</sup> In addition to the beneficiary interviews conducted by the Afghan research partners, we also plan to establish direct contacts with intended beneficiaries and beneficiary representatives. In high security risk areas the most feasible way to do this is to invite interview partners for meetings at safe locations, for example a safe compound in the provincial capital. The possibility for direct field visits will also be explored. As a last option, mobile phone interviews will also be considered.