

**Minutes of the 11th Board Meeting of the  
Independent Commission for Aid Impact  
13 March 2012**

**Attendees**

Commissioners:	Graham Ward (GW) Mark Foster (MF) Diana Good (DG)
Secretariat:	Tom McDonald (TM) Clare Robathan (CR) Alexandra Cran-McGreehin (AC-M) Santosh Chana (SC)
Apologies:	John Githongo (JG)

**Details of the meeting:** Tuesday 13 March, 9.15 am – 4.00 pm

**Welcome**

1. The Chief Commissioner welcomed everyone to ICAI's 11<sup>th</sup> Board Meeting.

**Minutes of the 10<sup>th</sup> Board Meeting**

2. The minutes of the last Board meeting were formally approved.  
Commissioners also approved the note of their visit to Pakistan, which is appended.

**Action Log**

3. TM led a discussion of progress against both outstanding and completed actions from previous Board Meetings.

**Correspondence**

4. TM ran through the correspondence log. There was a discussion of various items of correspondence received and a further discussion of the submissions received in response to the Terms of Reference documents posted on the ICAI website.

**Risk Management**

5. TM updated the Board on possible changes to the risks facing ICAI.

**ICAI Model**

6. TM introduced an updated paper on the ICAI model which took account of the Commissioners' comments at the last Board Meeting. The Board was invited to approve a list of proposed actions and consider whether any additional actions were required. There was an in-depth discussion of whether the resources currently at our disposal match our planned outputs and how we might rearrange some responsibilities between the contractor, Secretariat staff and Commissioners.

### **Fraud and Corruption Protocol**

7. TM updated the Board on the progress of the Protocol, a draft of which will now be shared with DFID before final approval by Commissioners. At that point Commissioners will send the protocol to the Serious Fraud Office.

**Action CR:** To provide an update on progress of the fraud and corruption protocol at the next Board meeting.

### **Programme Update**

8. AC-M took Commissioners through a paper on the updated programme for Year 1 and progress on upcoming reports for Year 2. There then followed an in-depth discussion on the draft UNDP and Budget Support reports, the schedule for upcoming reports, traffic light ratings, Commissioner and contractor country visits and lead Commissioner nominations for Year 2 reports.

**Action AC-M:** To take forward the Board's decisions for both the Year 1 and Year 2 programmes.

### **Any Other Business**

#### *Internal Audit Report*

9. TM updated the Board on the recent DFID Internal Audit review of ICAI. There was discussion on the internal process of the review and possible timing of the final report.

#### *ICAI Annual Report*

10. TM led a discussion on ICAI's forthcoming annual report to be published in June this year. The Board discussed possible topics and themes to be included in the report and asked for a skeleton report for discussion at the next Board.

**Action TM:** To provide a skeleton annual report for discussion at the April Board meeting.

#### *Minister for Government Policy Meeting*

11. TM updated Commissioners on the Chief Commissioner's recent meeting with the Minister for Government Policy.

### **Discussion of Year 2 proposals with Contractor staff**

12. Commissioners then held a brain-storming session with representatives from the contractor to discuss the scope, timing and feasibility of all Year 2 proposals. There was also a discussion of how the individual proposals might cover some of the wider themes which are of interest to Commissioners. The contractor was then tasked with working up more detailed proposals for each one.

**Action ACM/TM:** To assist contractor in working up more detailed report proposals.

Outstanding Action Log from 5<sup>th</sup> ICAI Board Meeting

TM/AC-M	To consider Water Aid's comments when the terms of reference are prepared for the Water and Sanitation in Sudan report in Year 2.		For consideration in due course. We will pass on to the contractor as soon as a team leader is appointed.
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Action Log from 9<sup>th</sup> ICAI Board Meeting

SC	To arrange meetings with stakeholders from the International Conference on the MDGs		Ongoing
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Action Log from 11<sup>th</sup> ICAI Board Meeting

AC-M	To take forward the Board's decisions for both the Year 1 and Year 2 programmes.		
CR	To provide an update on progress of the fraud and corruption protocol at the next Board meeting.		
TM	To provide a skeleton annual report for discussion at the April Board meeting.		
AC-M/TM	To assist contractor in working up more detailed report proposals.		

## Record of ICAI Commissioner Visit to Pakistan

### **Introduction**

1. From 21 to 27 of January 2012, three ICAI Commissioners (Chief Commissioner Graham Ward, Mark Foster and Diana Good) and the ICAI Communications and Research Officer (Clare Robathan) visited Pakistan.

### **Why did we go?**

2. The objective of the visit was to provide Commissioners with further understanding of the work of a Department for International Development (DFID) Country Office in a fragile/conflict-affected state with recognised stability and governance challenges. After discussion, Pakistan was agreed upon as it embodies many of the challenges facing DFID in the delivery of UK aid in fragile environments. Pakistan also received the third largest amount of bilateral assistance in 2010/11 (£203m) and this is set to continue to grow, as such it is one of DFID's largest programmes.

3. Pakistan is the sixth most populous country in the world with 173.5m people and the population is growing fast and likely to exceed 210m by 2020. This increase in population will have an impact on the country, particularly on health and education. The education programme in Pakistan is the largest in DFID and over the next 4 years DFID will invest £645.5m in education and £200m in health in Pakistan. In addition, the floods in Pakistan in 2010 were one of the largest natural disasters the world has ever seen, affecting 20 million people. In 2010 DFID provided £134m in humanitarian support, the largest amount of money spent by DFID on a humanitarian programme.

4. Pakistan offered Commissioners the opportunity to see a range of programmes on the ground. Commissioners will use the evidence they gathered and the discussions they had on the ground to feed into the development of forthcoming ICAI reports. These reports are likely to include:

- Work of a DFID country office – Pakistan (to be brought forward from Year 3 to Year 2);

- Management of the Cross Departmental Conflict Pools – Pakistan is a case study for this report;
- DFID’s Management of Budget Support Activities – Pakistan is a case study for this report; and
- DFID’s Engagement with the Asian Development Bank

5. The programme of activity in Pakistan was designed to give Commissioners an overview of the activity in country and provide a structured introduction to the topics described in the reports mentioned above. It also gave an opportunity for Commissioners to see DFID Pakistan’s approach to tackling corruption in country.

### **What did we do?**

6. The visit comprised six days of meetings, visits, roundtables and discussions which took place throughout the country in Islamabad, Lahore, Multan, Thatta and Karachi. Commissioners met with a large number of people, including government officials and other donor representatives, discussions with partner organisations and civil society representatives, meetings with those delivering programmes and, importantly, beneficiaries of programmes on the ground. Each day was focused on a thematic area of activity, as follows:

- Day 1 consisted of an **introductory meeting** with the Head of the DFID Pakistan office and his team leaders followed by a meeting with international NGOs and other country and multilateral donors.
- Day 2 included **briefing meetings** with DFID staff to hear how each of the teams work in country. Commissioners also had the opportunity to meet separately with the British High Commissioner and a representative from the US Embassy.
- Day 3 was designed to highlight activity in the **education sector** in Lahore. Commissioners met the Punjab Education Foundation, the Lahore District Education Coordinator, the Punjab Education Sector Reform Programme and McKinsey (consultants on education). Commissioners then visited two schools, one public and one private, at which they had the opportunity to hear the experiences of teachers, pupils, parents and the School Council.

- Day 4 focused on the **health sector** in Multan and began with a discussion with the District Coordination Officer and health representatives in Multan. Commissioners then visited the General Nursing Training School and met with nurses and teachers before hearing from with Community Midwives (CMWs). This was followed by a visit to a Lady Health Workers (LHWs) class in a rural health centre. Commissioners heard from CMWs and LHWs on their experiences of working in these areas and the challenges they face. Day 4 closed with a meeting with the Muzaffargarh District Coordinator to hear about the WATAN card (flood compensation scheme) and a visit to a WATAN centre to meet with beneficiaries as they acquired the card.
- Day 5 highlighted DFID's **humanitarian** activity in Thatta following the 2010 and 2011 floods in Pakistan. Commissioners met with representatives of the UN Office for Coordination of Humanitarian Affairs (OCHA) and the International Organisation for Migration (IOM) before attending a presentation from Handicap International, an NGO focusing on emergency relief for the most vulnerable. Following the presentation Commissioners met with beneficiaries of Handicap International's flood programme. Commissioners also visited a family whose house had been lost in the floods. As a follow up to Day 4 Commissioners also visited a second WATAN centre. The day closed with a dinner held by the Governor of the State Bank of Pakistan with members of the finance sector and a meeting with the CEO of the Pakistan Business Council.
- Day 6 provided insight into DFID's **Financial Inclusion Programme** in Karachi. Commissioners met with Telenor and saw first hand the new branchless banking system and attended a meeting with Tameer Bank and beneficiaries of the programme.

A list of people the Commissioners met is at **Annex A**.

### **What did we find?**

7. This visit was designed to further Commissioners' understanding of a variety of different programmes and ways of working in order to feed into the development of forthcoming ICAI reports. The visit itself was not a formal evaluation.

8. Since this visit was not part of any formal evaluation, Commissioners did not draw formal conclusions. Commissioners did, however, make a number of observations which were discussed with DFID staff during the visit. They noted:

- The difficulties of working in such a challenging environment and complex political context.
- The restrictions and constraints the security situation places on delivery, monitoring and evaluation of results.
- The challenges that come with a major increase in staff and budget combined with a security situation where staff cannot move around, either easily or at all, to certain areas of the country.
- The predicted increase in population and the potential impact this will have, particularly on health and education provision.
- The timely response required for the 2010 floods, which affected a large proportion of the population who were in need of shelter and food.
- The challenges associated with the devolution to the provinces, particularly around accountability.

9. Commissioners may include some of their observations and some of the programmes they saw as case studies in the thematic reports scheduled in our work plan.

**A list of people and organisations the Commissioners met in Pakistan**

**DFID Pakistan Staff and UK Government representatives:**

- Head of DFID Pakistan
- Staff from DFIDP with responsibility for a wide range of work, including health, education, governance, humanitarian and finance programmes
- British High Commissioner
- Deputy High Commissioner, Karachi

**Pakistan officials:**

- District Coordination Officer and District Education Officials, Lahore
- Representatives of the Ministry of Economic Affairs and Statistics
- Programme Director, Punjab Education Sector Reform Programme
- District Coordination Officer, Multan
- Divisional Director Health Services and Executive District Officer (Health), Multan
- National Database and Registration Authority

**Regional Meetings:**

- Representatives, teachers, pupils and parents of Ahmad Grammar School, Baghbanpura, Lahore
- Representatives, teachers, pupils and parents of Girls High School Salamatpura, Lahore
- Managing Director and representatives, Punjab Education Foundation
- Head Nurse and staff, General Nursing school, Nishtar Hospital, Multan
- Community Midwives, General Nursing school, Nishtar Hospital, Multan
- Lady Health Workers, Rural health Centre, Qadirpur Rawan Dist. Multan
- Local families
- McKinsey consultants on education programme in Punjab

**Finance and Business sector representatives**

- Governor, Directors and Senior Staff, State Bank of Pakistan



- Citibank
- Silk Bank
- Tameer Bank
- Pakistan Business Council
- Pakistan Banks Association
- Standard Chartered Bank
- Muslim Commercial Bank
- HSBC
- JS Bank
- United Bank

**International NGOs:**

- CONCERN
- Handicap International
- Oxfam
- Pakistan Humanitarian Forum
- Save the Children

**Major Donors / International Institutions:**

- AUSAID
- ECHO
- European Union
- OCHA
- UN Humanitarian Coordinator
- USAID
- Embassy of USA