WORLD BANK AFGHANISTAN | THIRD PARTY MONITORING

QUARTERLY MANAGEMENT REPORT

INVESTMENT COST WINDOW

AUGUST 2020

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CONTENTS

TABLES

FIGURES

ACRONYMS AND ABBREVIATIONS

AAIP	Afghanistan Agriculture Input Project
AFMIS	Afghanistan Financial Management Information System
AFN	Afghanis (currency)
ARAP	Afghanistan Rural Access Project
ARTF	Afghanistan Reconstruction Trust Fund
ASDP II	Afghanistan Second Skills Development Project
CCAP	Citizen's Charter Afghanistan Project
CDC(s)	Community Development Council(s)
ESS	Environmental and Social Safeguards
FSP	Fiscal Performance Improvement Support Project
FY	Financial Year (21st December to 20th December of the following year)
GRM	Grievance Redress Mechanism
HEDP	Higher Education Development Project
HEP	Herat Electrification Project
IDA	International Development Association
IDLG	Independent Directorate of Local Governance
IRDP	Irrigation, Restoration and Development Project
IUFR	Interim Unaudited Financial Report
MoE	Ministry of Education
MoF	Ministry of Finance
MoT	Ministry of Transport
MRRD	Ministry of Rural Rehabilitation and Development
MSI	Management Systems International
NHLP	National Horticulture and Livestock Project
NHRP	Naghlu Hydropower Rehabilitation Project
NPA	National Procurement Authority
OFWMP	On-Farm Water Management Project
PIU(s)	Project Implementation Unit(s)
PMU(s)	Project Management Unit(s)
SAO	Supreme Audit Office
SHG(s)	Self-Help Group(s)
TPM	Third Party Monitoring
TPMA	Third Party Monitoring Agent
TTL	Task Team Lead

USD	United States Dollar (currency)
WEE-RDP	Women's Economic Empowerment Rural Development Project

SUMMARY

This report presents the findings from physical and financial monitoring that we, as the contracted Third Party Monitoring Agent (TPMA) for World Bank-funded projects in Afghanistan, conducted between April and June 2020 (Q2 2020) in relationship to investment projects, including projects financed by the Afghanistan Reconstruction Trust Fund (ARTF). Project findings reported on in this document are extracted from the Executive Summaries for each report.

SITE VISITS

During Q2 2020 we conducted 1,234 site visits in 30 out of Afghanistan's 34 provinces. In addition, we conducted 46 telephone interviews, including respondents from three further provinces. The map on the next page shows the number of site visits conducted in each province in the reporting period.

A number of other site visits conducted during the period, but for which data had not been fully quality assured by the date of this report, will be included in the next quarterly report.

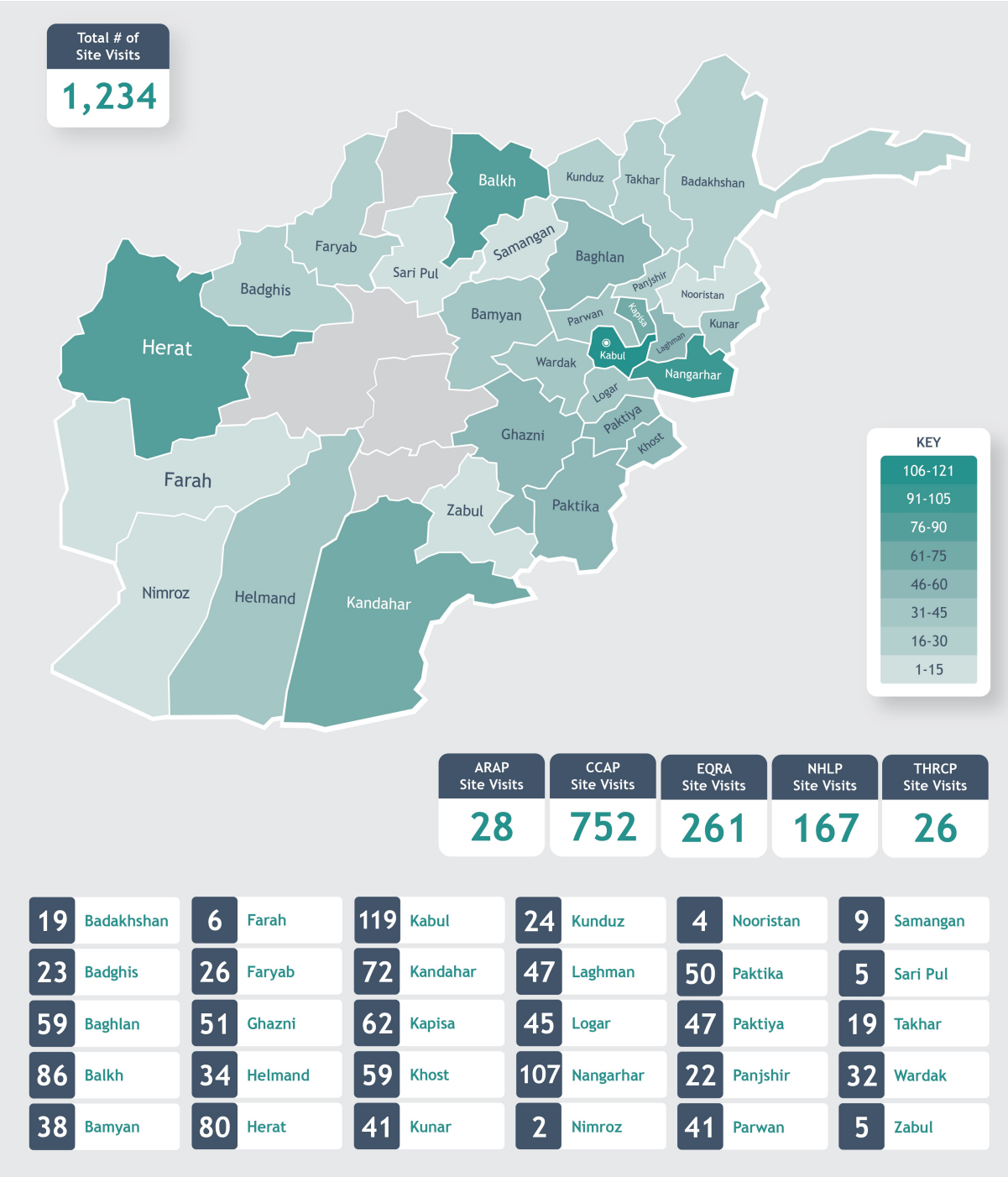
LIMITATIONS

Coronavirus and COVID-19

In response to the COVID-19 pandemic, our staff continued to work remotely wherever possible limiting interaction for the purposes of assessing infrastructure and community engagement, expanding the use of telephone interviews and surveys, updating our COVID-19 Contingency Plan with the World Bank and reviewing it on a regular basis.

Insecurity

During Q2, we continued to monitor threats and plan our activities in response to emerging security issues so as to be able to continue work, including in hard to reach areas. We continued to be unable to access certain districts as a result. We continue to monitor threats and take action in response.



ARAP Site Visits	CCAP Site Visits	EQRA Site Visits	NHLP Site Visits	THRCP Site Visits
28	752	261	167	26

19	Badakhshan	6	Farah	119	Kabul	24	Kunduz	4	Nooristan	9	Samangan
23	Badghis	26	Faryab	72	Kandahar	47	Laghman	50	Paktika	5	Sari Pul
59	Baghlan	51	Ghazni	62	Kapisa	45	Logar	47	Paktiya	19	Takhar
86	Balkh	34	Helmand	59	Khost	107	Nangarhar	22	Panjshir	32	Wardak
38	Bamyan	80	Herat	41	Kunar	2	Nimroz	41	Parwan	5	Zabul

PROJECT RATINGS

For Q2 2020, we rated each sub-project and site using the system shown in Annex 1 and began to expand the rating system to cover additional aspects of project management and delivery, such as the application of Environmental and Social Safeguards (ESS). The ratings for individual sub-projects and sites visited in Q2 2020 were then aggregated to produce a project rating, shown in the table below.

Table 1: Project Ratings in Q2 2020

PROJECT	RATING[1]
Afghanistan Rural Access Project (ARAP)	Below Average
Citizens' Charter Afghanistan Project (CCAP)	Average
EQRA	Average
National Horticulture and Livestock Project (NHLP)	Average
Trans-Hindukush Road Connectivity Project (THRCP)	Below Average

Detailed findings for each project can be found in the chapter 'Results from Physical Monitoring' and are not repeated here.

DEVIATIONS

For each sub-project where our engineers conduct site visits, we assess infrastructure progress and the quality of work undertaken. In doing so, our engineers identify 'deviations', either in the form of changes from the stipulated design or technical specifications, or shortcomings in the materials used or quality of workmanship. Deviations are categorised in relation to Design, Materials, Workmanship and, where applicable, the quality or application of any Operations and Maintenance (O&M) Plan.

Deviations are defined in terms of whether they are deemed Critical, Major or Minor. In summary, a Critical deviation is one which, if not rectified, can lead to physical harm or death for current workers or future users, a Major deviation is one affecting the structural integrity or sustainability of the sub-project, while a Minor deviation is a cosmetic deviation not affecting the structural integrity or sustainability of a sub-project. Minor deviations can often be corrected with little effort and at limited cost.

For each deviation, our engineers make an on-site estimate of the cost of rectification, based on the median of an agreed range figure. As estimates, these are not based on a market exercise for the local or transported cost of labour and materials.

Annex 1 provides definitions for each type of deviation in relation to infrastructure and compliance issues.

[1] The rating system initially used in Q2 2020 individual project reporting used World Bank project rating language. This has been amended in the Q2 2020 reports for CCAP and EQRA, and for this report, to a Very Good-Good-Average-Below Average-Poor-Very Poor system, to avoid confusion. Adjusted scores at sub-project level for ARAP, NHLP and THRCP are available.

Table 2: Summary of Deviations Identified in this Reporting Period

PROJECT	DEVIATIONS FOUND					
	Observations	Critical	Major	Minor[2]	Total	Estimated Cost of Rectification
ARAP	679	3	103	101	207	AFN 364,122
CCAP	12,060	15	603	1,317	1,935	AFN 17.5m
EQRA	7,918	20	273	496	789	AFN 24.6m
NHLP	1,481	6	178	146	330	AFN 3.39m
THRCP	523	6	79	94	179	N/A
	22,661	**50**	**1,236**	**2,154**	**3,440**	**AFN 45.8m**

POTENTIAL EXCESS PAYMENTS AND 'RED FLAGS'

Potential Excess Payments

At the community level, projects are implemented through sub-projects or activities at specific sites (such as for roadbuilding). The Financial Monitoring team assesses expenditure incurred by each sub-project or site to coincide with the date of site visits by our engineers, calculating a financial progress percentage based on how much of any individual contract's value has been paid out by the project and compares results with the engineers' estimates of physical progress made. This is used to identify potential excess payments, that is, instances where the difference between the assessment of physical progress and the recorded financial expenditure to date is more than 15 percent. These are 'potential' excess payments because such differences may be accounted for by tranche payments, contractual arrangements or materials purchased but not yet used, among others. They are identified for the Government project team to review, and for the Financial Monitoring team to undertake more detailed investigation where required.

One potential excess payment, for ARAP, of AFN 364.122, was identified in this reporting period.

'Red Flags' and Questionable Transactions

'Red flags' are instances where there is evidence that agreed World Bank or Government procurement procedures have not been followed, or where there is a mis-match between project reporting systems and evidence from site visits. They are identified for the Government project team to review and take action, and for the Financial Monitoring team to undertake more detailed investigation where required.

We identify as Questionable Transactions those financial transactions where the necessary evidence of authorisation or documentation were not made available at the time of review. These are

[2] Of the 2,154 Minor deviations listed in this reporting period, 514 (24 percent) were estimated at costing under USD 50 to rectify, as follows: ARAP: 9; CCAP: 368; EQRA: 108; NHLP: 29.

normally rectified once that evidence has been provided, but they are notified to project teams and to the World Bank in order to support necessary capacity building over time.

No red flags or questionable transactions were identified in this reporting period.

SCOPE AND METHODOLOGY

The activities conducted in Q2 2020 are summarised in the table below.

Table 3: Status of Activities Performed in Q2 2020

AREA	STATUS OF ACTIVITIES PERFORMED
Project site monitoring findings are summarized in this quarterly report. Detailed and specific site monitoring reports are available to donors on request to the ARTF team once reports are finalized.	
Afghanistan Rural Access Project (ARAP)	We carried out joint Financial and Physical Monitoring of 28 sub-projects managed by the Ministry of Transport (MoT) in six provinces.
Citizens' Charter Afghanistan Project (CCAP)	We undertook a review of procurement, contracting and documents for 684 sub-projects being implemented by 633 CDCs, and in-person site visits to 667 CDCs in 29 provinces, monitoring 752 sub-projects.
EQRA	We undertook monitoring of procurement, contracting, and financial documentation and construction for 236 CDCs implementing 239 sub-projects involving either new schools or the rehabilitation of existing ones, and in-person site visits to 261 schools overseen by 258 CDCs in 16 provinces.
National Horticulture and Livestock Project (NHLP)	We carried out financial monitoring of 153 sub-projects comprising borewells, check dams, and raisin-making houses, and physical monitoring of 167 CDCs in 14 provinces.
Trans-Hindukush Road Connectivity Project (THRCP)	We undertook 26 in-person monitoring visits, comprising 22 in-person monitoring visits to twelve sections of highway construction in Doshi district, Baghlan and Shiber district, Bamyan, and four site visits to two mobilisation sites, one in Baghlan and one in Bamyan.
Final Financial Monitoring Report	We submitted a Final Financial Monitoring Report covering the period July 2016 to December 2019, as part of completing our previous financial monitoring contract.
ARTF Operational Manual on Eligibility	We began drafting a revised version of the ARTF Operational Manual on Eligibility, for sharing with the World Bank and Government partners during Q3 2020.
Internal Control and Project Management Assessments	• We completed the testing phase of an Internal Controls Assessment for THRCP for submission in Q3 2020. • We commenced an Internal Controls Assessment for the Women's Economic Empowerment Rural Development Program (WEE-RDP) for submission in Q3 2020.
Review of Statements of Expenditure (SoEs) and Withdrawal Applications	• We issued SoE Cover Letters for 21 projects relating to their Q1 FY 1399 expenditure. The SoE Review for Q2 2020 is in Attachment F. • We issued SoE Cover Letters for 13 projects, relating to their Q2 FY 1399 quarterly and/or semi-annual expenditure.
Financial Management Manual	• We commenced initial work on this, with planned completion by January 2021.

Ad hoc assignments	• We undertook and reported on a Quality Assurance review of a sample of audits carried out by the Supreme Audit Office (SAO). • We continued a review of the Jalalabad Recreational Park for components of CCAP being implemented by the Independent Directorate of Local Governance (IDLG) for reporting in Q3 2020. • We continued a review of project personnel engaged by IDLG in Jalalabad for reporting in Q3 2020. • We submitted a review of school projects undertaken by 32 CDCs for EQRA. • We began monitoring pilot activities for the World Bank's emergency food relief program, REACH, for reporting in Q3 2020. • We began a rolling programme of monitoring the provision of COVID-19 Personal Protective Equipment (PPE) in support of the Ministry of Public Health.

ADAPTING OUR METHODOLOGY

For physical monitoring of sites and sub-projects during Q2 2020, we continued using the methodology and tools applied by the previous Supervisory Agent with amendments and additions introduced in discussion with project teams.

During Q2 2020, we fully applied the use of SurveyCTO as our data collection software for the soft component to support data collection tools in Dari and Pashto.

We introduced a preliminary scoring model for Environmental and Social Safeguards (ESS), based on criteria agreed with the World Bank. This scoring is meant to provide the ESS team members with a more systematic assessment of how projects are performing within the ESS framework. We intend to refine this in conjunction with the ESS Practice Group members during the rest of 2020.

Our methodologies will continue to be refined and revised on a rolling basis in discussion with the World Bank and Government partners, and in response to emerging project reporting needs.

With the advent of the COVID-19 pandemic, face-to-face interviews were replaced by phone-based interviews by female call centre staff, based on information received by social researchers engaging in a limited degree of personal interaction and employing an agreed range of protective measures to do so.

PHYSICAL MONITORING

In Q2 2020, we conducted 1,234 site visits for five projects in 30 provinces, including interviews with project staff, Community Development Council (CDC) office-bearers and other community members.

Since all five projects contained an infrastructure component, an engineer from our Physical Monitoring team undertook in-person monitoring site visits to assess infrastructure. The engineer

assessed various aspects of the construction project, assigning a score to different project elements, including design, materials, and workmanship based on agreed grading criteria.

At the outset of the period, a social researcher conducted key informant interviews for the project's 'soft components' (for example, social mobilization, Environmental and Social Safeguards (ESS), and gender). With the onset of COVID-19, this changed to the researcher engaging in a much more restricted and socially distanced way with the CDC head or local community leader to obtain phone numbers for later remote surveying and photographing relevant sub-project documents.

Sampling

Our selection of site visits in Q2 2020 was based on a sampling method agreed with Task Teams and the World Bank's TPM Contract Management Unit. For each project, we tailored the sample to meet individual project requirements. We coordinated the sample selection between the Financial and Physical Monitoring teams and with Afghan Government partners prior to mobilization.

Scoring and Grading

Annex 2 provides details of the scoring and grading system we applied to sub-projects and projects, expanding on the system applied by the previous Supervisory Agent.

Our starting point for scoring and grading sites or sub-projects are our engineer's observations, reinforced by documentary evidence (including photographs), and further evidenced by survey responses from, among others, local project staff, contractors and technical personnel, labourers, male and female CDC office-bearers, other community leaders and members.

From this, our engineers produce a score for different infrastructure elements: Design, Materials, Workmanship, and the O&M Plan where applicable, based on a 0-5 scoring model.

We then review each site or sub-project in relation to the number and type of deviations identified in the course of the engineer's observations to provide a grading for each site or sub-project and for the project as a whole for all sub-projects monitored during each reporting period as follows:

- **Very Good**: All requirements adhered to in relation to infrastructure, community engagement, environmental and social standards and sustainability met and evidenced;
- **Good**: Minor and rectifiable shortcomings in relation to infrastructure, community engagement, environmental and social standards and sustainability;
- **Average**: Some Major and/or Minor shortcomings, the former likely to be rectifiable, in relation to infrastructure, community engagement, environmental and social standards and sustainability;

- **Below Average**: Critical or significant Major and/or Minor shortcomings in relation to infrastructure, community engagement, environmental and social standards and sustainability, some of which may not be rectifiable;
- **Poor**: Several Critical, Major and/or Minor shortcomings in relation to infrastructure, community engagement, environmental and social standards and sustainability, some of which may not be rectifiable and resulting in poor value for money; and
- **Very Poor**: Several Critical, Major and/or Minor shortcomings in relation to infrastructure, community engagement, environmental and social standards and sustainability, some of which may not be rectifiable and resulting in very poor value for money.

Depending on the number and type of deviations found, the lowest resulting grading will be applied to a sub-project. For example, a sub-project with a score of 3.5 with no Critical deviations would be graded as Good. If, however, it also had more than two Major deviations, it would be downgraded to Average.

Analysis

Following site visits, members of the Physical Monitoring team quality assure data, transcribing individual audio files from Dari or Pashto into English as well as data from qualitative questions. Once data sets have been shared with the Analysis and Reporting team, further quality assurance checks are made before analysing quantitative data using MS PowerBI. During Q2 2020 the team began using NVivo software to undertake qualitative analysis, replacing use of MS Excel.

Preliminary analysis workshops are held jointly between the Physical Monitoring and Analysis & Reporting team to discuss findings prior to project reports being drafted. Those reports are subject to further rounds of review before finalisation and submission to the World Bank.

FINANCIAL MONITORING

This section sets out in brief the methodology applied in undertaking Statement of Expenditure (SoE) reviews and conducting texting of Government expenditure in FY 1399.

Statement of Expenditure Reviews

The overall objective of each SoE review is to check that project expenditure is eligible under the grant and financing agreements. This is achieved by testing the following assertions:

COMPLIANCE:	EXISTENCE/VALIDITY:	ACCURACY/VALUATION:	CUT-OFF:
For procurement transactions, were the procurements undertaken in accordance with applicable World Bank procurement regulations and guidelines, and consistent with the Procurement Plan approved by the World Bank? Are approved financial policies and procedures followed in the processing of expenditure?	Did the transactions that were reported in the SoE actually occur and are they in respect of valid and eligible project activities? Are the transactions supported by valid documents?	Are all the expenditures included in the SoE accurately recorded? Are contractors' invoices and request for payments based on agreed prices/ quantities, and are they mathematically correct?	Is expenditure being claimed in the correct quarter/period?

In doing so, we review project procurement transactions, payroll and other expenditure, primarily comprising project implementation and management costs. This process is a sample-based substantive testing of project transactions.

The table below identifies the various steps and processes applied, together with the process owner. Depending on the complexity of the task, the SoE process takes between 82 and 101 days to complete.

Table 4: Statement of Expenditure Steps and Processes

STEPS	PROCESS	OWNER
Reporting Pack submission	Project Management prepares/submits the reporting pack to TPMA following the quarter end date.	Project Management
Sampling	TPMA submits selected samples to Project Management.	TPMA
Related documentation of the samples	Project Management prepares/provides documentation for the selected samples within 7-10 days of receiving sample selections from TPMA. TPMA undertakes team mobilisation and further planning during this period.	Project Management
Preliminary review/ communication of queries	TPMA reviews the submitted documentation and communicates issues and queries to management	TPMA
Management response and supporting documents	Project Management provides documentation, information and explanations in response to TPMA's queries.	Project Management
Assessment of management response and documents	TPMA conducts review of WPs and assesses Project Management responses to queries, prepares the findings log, and communicates findings to Project Management and World Bank focal persons.	TPMA
Management response and additional documentation	Project Management responds to findings and submits any additional documentation and/or information requested by TPMA.	Project Management

STEPS	PROCESS	OWNER
Assessment of management response and listing of questionable transactions	TPMA reviews Project Management's response and updates its list of questionable and ineligible transactions.	TPMA
SOE cover letter	TPMA prepares SoE cover letters.	TPMA
Quality Assurance and submission of cover letter	TPMA performs Quality Assurance reviews and submits cover letters to World Bank.	TPMA

Following the completion of individual project reviews, we submit SoE Cover Letters to the World Bank, shared with the Government.

Testing of FY 1399 Transactions

During Q2 2020 we began conducting transaction testing for samples from Q1 and Q2 for FY 1399:

- To review the financial transactions that relate to specific sites or sub-projects, to assess whether the financial execution was in line with physical progress and to identify possible issues for further review;
- To review procurement transactions for sites and sub-projects determined using a risk-based sampling methodology; and
- To determine whether purchases were approved by the World Bank in the procurement plan and were carried out in compliance with the Bank's applicable procurement guidelines. This review also covered contract amendments during implementation.

Owing to the impact of the COVID-19 pandemic, including the closure of Government offices for a substantial period, the ability to obtain information was significantly delayed, and the results of testing for Q1 and Q2 FY 1399 will be reported in Q3 2020.

RESULTS FROM PHYSICAL MONITORING

DEVIATION FINDINGS

Deviations and Costs of Rectification

Table 2 above sets out the deviations identified by project in Q2 2020. It also provides an estimated cost of rectification for each deviation, based on a range figure provided by our engineers during their site visits. The Costs of Rectification shown reflect engineer's on-site estimates but are not based on a market exercise for the local or transported cost of labour and materials.

Legacy Deviations

By agreement with the World Bank, we continue to track legacy Critical and Major deviations identified by the previous Supervisory Agent and with the status of Open or Pending as at the end of 2019. In Q1 2020 reporting we drew on the Supervisory Agent's reporting platform for the information provided. Subsequently, with the transfer of data to the new TPMA Digital Platform, we identified a number of deviations that had not been fully rectified or assessed as non-rectifiable. The amended figures are shown in the table below[3].

Table 5: Open and Pending Legacy Deviations

	PER TPMA DIGITAL PLATFORM		
	Critical	Major	Total
AAIP	4	104	108
ARAP	1	172	173
CCAP	5	142	147
EQRA	1	16	17
HEDP	0	15	15
IRDP	2	33	35
OFWMP	1	485	486
THRCP	3	45	48
	17	**1,012**	**1,029**

Critical Deviations

The Critical deviations identified in this monitoring period by our engineers are shown below. These were reported to relevant Task Teams and Ministry PMUs.

[3] It should be noted that since the compilation of this report a number of deviations shown have been resolved. Updated reporting will be included in our Q3 2020 report.

Table 6: Critical Deviations Identified in Q2 2020

ARAP	Parwan: Guard walls required due to 3m height of retaining wall. Faryab: • RCC head wall not visible. • Stone masonry guard rail destroyed.
CCAP	Kabul: Height of a protection wall insufficient to prevent potential accidents involving users of the adjacent secondary road. Kapisa: Water source intended for human consumption is exposed to use by animals. Parwan: Poor quality canal pointing has failed. Logar: Water reservoir sidewalls constructed using stonemasonry instead of Reinforced Cement Concrete, with a risk of failure. Paktia: River scouring has revealed protection wall foundations, risking future collapse. Kandahar: Solar power pole sited next to a power line. Bamyan: Canal intake side wall damaged by water flow, with a risk of failure.
EQRA	Kabul: School located in a flood-prone area, requiring a protective wall. Wardak: Lining required for water well. Logar: • Latrine block constructed next to a canal and liable to flooding. • School constructed in soft soil next to a canal and liable to be undermined by flooding. • Latrine access ramp built at too high a level for safety. Balkh: School at risk from flooding in the absence of protective measures. Badghis: Electrical wiring system not installed to specification. Khost: Failure of well requires to be addressed to ensure an adequate water supply.
NHLP	Ghazni: Check dam infrastructure covered by soil so no evidence available as to its existence or condition. Kabul: No stairway to the upper-floor raisin house. Kapisa: • Ring beams constructed for only two sides of the raisin house • Raisin house constructed on the second floor, in contrast to agreed designs (two instances). • No handrail to the stairway to the upper-floor raisin house.
THRCP	Baghlan: • Box culvert water outlet is positioned facing toward existing houses, liable to lead to damage or destruction. • Approach section of the existing road to the bridge requires a replacement railing, the previous one having collapsed. • An existing culvert, constructed some time previously and insufficiently maintained, has been washed away and needs replacement. Bamyan: • Unsafe workplace practices identified. • Refilling of excavated area not completed; missing bridge bearing plate. • Workers being accommodated in unacceptable conditions.

PROJECT FINDINGS

Infrastructure, 'Soft Component' and ESS Reporting

Whether monitoring in person or by telephone, we assess both infrastructure and 'soft components', where applicable. 'Soft components' include social mobilization activities such as

CDC elections, the formation of CDC sub-committees, and community participatory learning activities. The findings below cover both infrastructure and soft components, as well as the application of Environmental and Social Safeguards (ESS).

Afghanistan Rural Access Project (ARAP)

In Q2 2020, we carried out joint Financial and Physical Monitoring of 28 sub-projects managed by the Ministry of Transport (MoT) in six provinces.

FINANCIAL AND PHYSICAL PROGRESS

The averaged Financial Progress Percentage was 69 percent, less than the assessed Physical Progress Percentage of 80 percent. We identified potential excess payments totalling AFN 364,122.

FINDINGS

- Out of 679 observations this quarter, our engineers identified three Critical, 103 Major, and 101 Minor deviations (30 percent of observations). Critical deviations were identified at two sites (one site had two Critical deviations).
- Six sites had no deviations and one site had one Minor deviation. However, seven sites were responsible for almost 70 percent (n=144) of all those identified.
- Most Critical deviations were attributed to poor design or to lack of regular oversight by the project team. Most Major deviations were attributed to poor workmanship, in part arising from a lack of adequate supervision and were most frequently found in wing walls and head walls.
- Where project delays had occurred, these were attributed to poor weather, late stage payments, Taliban interference and insecurity.
- Our engineers identified 31 instances of good practice, mostly where the contractor had exceeded design requirements. We also saw evidence of pro-active supervision and record keeping by the Ministry engineer in Helmand.
- Sites were generally well-supplied with the necessary equipment and construction materials, and community responses about environmental safeguards were positive, but site safety provision was often lacking. Personal Protective Equipment (PPE) had not been issued at nine sites. Respondents at five sites in Baghlan reported injuries to workers having occurred.
- Broadly positive responses were received regarding the degree of community consultation before and during implementation, but safeguards documentation was often lacking.

Citizens' Charter Afghanistan Project (CCAP)

We carried out a financial review of procurement, contracting and documents for 684 sub-projects being implemented by 633 CDCs, and in-person site visits to 667 CDCs in 30 provinces, monitoring 752 sub-projects. 96 sub-projects were funded through IDLG and 656 through MRRD.

Financial progress was assessed at 45 percent, substantially lower than the assessed physical progress of 94 percent. Our financial review identified potential excess payments in the amount of AFN 5,379,600 and estimated the cost of rectifying identified deviations at AFN 17,515,548.

FINDINGS

- Potable water sub-projects had the highest number of deviations (n=1,034) as well as the highest average of deviations per sub-project (3.4).
- Small-scale irrigation sub-projects had the second-highest number of recorded deviations (n=622), but road improvement projects (n=238) had a slightly higher average number of deviations per sub-project (2.4 compared to 2).
- 254 sub-projects (34 percent) had no deviations.
- Where they were identified, deviations were most frequently attributed to poor workmanship, materials or maintenance.

EQRA

We carried out a financial review of procurement, contracting, and financial documentation for 236 CDCs implementing 239 sub-projects involving either the construction of new schools or the rehabilitation of existing ones, and in-person site visits to 261 sub-projects overseen by 258 CDCs in 19 provinces.

FINANCIAL AND PHYSICAL PROGRESS

Financial progress was assessed at 54 percent, compared to assessed physical progress of 84 percent. In one sub-project, we found that financial progress percentage exceeded the assessed physical progress percentage, resulting in a potential excess payment of AFN 2,486,172. However, since MIS reports the sub-project as Completed, this is not identified as an excess payment subject to further review of MIS.

FINDINGS

- At the time of our site visits, six percent of sub-projects were assessed by our engineers as having been completed, compared to the MRRD and MoE Management Information System (MIS) which shows 28 percent of sub-projects as Completed.
- Almost one-third (30 percent, n=68) of sampled sub-projects were being implemented by contractors.

- Critical deviations were identified at 16 sites (four sites had two Critical deviations each). 61 sites had no identified deviations and another 47 sites had one or two Minor deviations.
- Most Critical deviations were attributed to design or to workmanship issues. More than half of Major deviations were attributed to poor workmanship followed by the poor quality of materials used.

National Horticulture and Livestock Project (NHLP)

During Q2 2020, we carried out financial monitoring of 153 sub-projects and physical monitoring of 167 CDCs in 14 provinces.

FINANCIAL AND PHYSICAL PROGRESS

We estimated the Financial Progress Percentage at 69 percent. All except three sub-projects were assessed as 100 percent complete; the three outstanding projects were assessed as 80 percent complete.

Our financial review of 153 sub-projects identified no potential excess payments and estimated the cost of rectifying identified deviations at AFN 3.394m (USD 44,196).

FINDINGS

- From 1,481 observations in this period, our engineers identified a total of 330 deviations, six Critical, 178 Major, and 146 Minor.
- For three Critical deviations, the primary cause attributed by our engineers was a lack of adequate advance planning or on-site supervision. This was also most regularly cited (n=91) in relation to Major deviations. However, 52 sites had no deviations identified and another 16 sites had only one Minor deviation identified.
- Our engineers reported that two out of 167 visited sub-projects had caused negative environmental effects, in the form of flooding and soil erosion.
- Almost half of all respondents (44 percent, n=73) reported that Grievance Redress Mechanisms (GRMs) had been established and that community training to build awareness of the GRM had taken place.

Trans-Hindukush Road Connectivity Project (THRCP)

In Q2 2020, we undertook a total of 26 in-person monitoring visits, comprising 22 in-person monitoring visits to twelve sections of highway construction in Doshi district, Baghlan and Shiber district, Bamyan, and four site visits to two mobilisation sites, one in Baghlan and one in Bamyan.

The average Physical Progress Percentage was assessed at 25 percent for construction work in Baghlan and 13 percent for Bamyan.

FINDINGS

- During data collection in May, although the MoT's Management Information System (MIS) showed all sections as Ongoing/Under Construction, our engineers assessed that work at all six sections in Bamyan had commenced but was suspended at the time of their visits.
- Out of 523 observations, six Critical, 79 Major and 94 Minor deviations were identified. Of the 22 sites visited, Critical deviations were identified at five (two sites had two Critical deviations each). Two sites had no deviations identified and one site had one Minor deviation identified. One site (Shekari village, Shiber district, Bamyan) had 35 identified deviations (including two Critical); six other sites had between 10 and 20 deviations identified (see Annex 2).
- Most Critical deviations were attributed to poor design or workmanship, or poor application of social safeguards. More than half of Major deviations related to workmanship issues, followed by the use of sub-standard materials. Engineers attributed the causes of deviations most frequently to a lack of sufficient advance planning or on-site supervision by contractors or the Contractor Supervisory Unit.
- Construction materials tended to be insufficiently protected from poor weather or theft. In April and May, a number of major shortcomings relating to site facilities were identified. On five sites, workers were not using Personal Protective Equipment (PPE).
- Engineers reported evidence of good practice in relation to materials testing.

Gender Findings

- For **ARAP**, the gender-related data collected focused on the extent to which women had been consulted during sub-project planning and implementation, and whether concerns raised by women had been addressed. Out of 28 sub-projects, it was reported that women had been consulted at 19 sites in the planning stage and 16 sites during implementation, with concerns raised by women addressed in 14 sub-projects. However, documentation showing how women had been consulted was unavailable. Documentation on social and gender safeguards was available at 17 out of 28 sub-projects;
- For **CCAP**, in the various social mobilization exercises conducted, women's participation was reported as accounting for around one-third of participants on average, and slightly higher for the Resource Mapping Exercise, Well-Being Analysis and the Seasonal Calendar. Women were reported as comprising just under half of CDC office-bearers were identified women, with a 1:1 men to women ratio in Sar-I-Pul, rising to 3:1 in Badghis. Participation by women in CDC elections was reported as ranging from 23 percent of eligible women voters in Zabul and 36 percent in Paktika to 61 percent in Baghlan and 70 percent in Kunduz.

- For **EQRA**, almost three-quarters of all respondents stated that women had been consulted in the planning and implementation phases of sub-projects, with similar percentage responses from men and women. Balkh, Herat, Khost, and Paktika reported the highest rate for claimed consultation of women, with the lowest rates reported in Helmand, Nuristan, and Zabul. Overall, some 21 percent of School Management Shura members were women, although 47 CDCs in Badghis, Kandahar, Khost, Kunduz, Logar, Nangarhar, Nuristan, Paktika, Wardak and Zabul provinces did not report any women SMS members.
- For **NHLP**, there were no specific gender-related questions in the data tool;
- For **THRCP**, gender-related data collected focused on the extent to which women had been consulted during sub-project planning and implementation, and whether concerns raised by women had been addressed. Out of 12 sections, it was reported that women had been consulted only at one section in the planning stage and none during implementation. However, documentation showing how women had been consulted was available only at one location and there was no information as to whether any concerns had been raised by women in consultation.

RESULTS FROM FINANCIAL MONITORING

STATEMENT OF EXPENDITURE REVIEWS

In respect of transactions recorded in the first quarter (Q1) of the Afghan Government's financial year (FY) 1399 (corresponding to 22 December 2019 to 19 March 2020), 25 Project Management Units (PMUs) for 20 projects were due to submit Statements of Expenditure (SoEs) for our review. We received the first SoEs in April 2020 and by the end of July 2020:

- 21 SoE Cover Letters had been issued: A2F, ARAP (MoT), ARAP (MRRD), ASDP II, ASGRP, CIP, DPCSP, EQRA (MoE), EZ-Kar (IDLG), EZ-Kar (KM), EZ-Kar (MoEc), FSP, HEDP, HEP, IRDP, KMDP, NHLP, NHRP, THRCP, UDSP, and WEE-RDP;
- One SoE review was in progress (EQRA (MRRD)), to be reported on in Q3 2020; and
- Three projects reported no expenditure in the period: CASA 1000, CASA CSP, and EZ-Kar (MoFA).

The results of our testing are summarised below.

Table 7: Summary of SoE Review Results

Amount claimed for replenishment	USD 8,993,415
Net Adjustments proposed by TPMA	USD 934,169
Amount recommended for replenishment	USD 8,406,062
Sample Value	USD 8,717,008
Sample Coverage	97 percent
Absolute Value of TPMA findings	USD 1,552,257
Absolute Value of TPM findings, as a percentage of the amount claimed	17 percent

For the 21 projects where we had completed our reviews, expenditure replenishments totalled USD 8,993,415 based on their SoEs. We sampled USD 8,717,008 (97 percent) of expenditure and proposed net adjustments amounting to USD 934,169. The absolute USD value of our findings amounted to 17 percent (USD 1,552,257) of SoE claims.

Our SoE Cover Letters provide further details and include reporting on internal control issues identified. Full details about SoE-related activities in Q2 are in the Review of Statements of Expenditure for Q2 2020.

During Q2 2020, we commenced SoE reviews of 39 PMUs for 34 projects in respect of their Q2 2020 expenditure (20 March 2020 to 20 June 2020) or semi-annual expenditure (22 December 2020 to 20 June 2020). These will be covered in the Q3 2020 report.

DIGITAL PLATFORM

The new TPMA Digital Platform was introduced on 1 June 2020. The platform allows the World Bank and government project teams to access site visit data and follow-up on specific details. In addition to the site visit data collected under this contract, it also incorporates information related to Open and Pending deviations recorded by the previous Supervisory Agent up to late 2019.

Training

The Digital Platform team have undertaken a program of induction, training and update training for Afghan Government and World Bank staff, both immediately prior to the launch of the digital platform in June, and since. Digital platform training and feedback sessions have been held with:

- World Bank teams: CCAP, EQRA, NHLP, IRDP, CMU, Safeguards; and
- Afghan Government teams: MRRD (CCNPP), MAIL (NHLP), MEW, MPW, NRAP, MoT, IDLG, and IRDP project teams.

We have also conducted follow-on support dialogues by email and VOIP calls with World Bank and Government users.

Take-Up

Weekly use of the Platform by Government and World Bank users has been on a consistent upward trend since its introduction. World Bank and Government users made a total of 2,739 unique logins as of early August, averaging nearly 300 per week since the platform went live.

Table 8: Digital Platform Take-Up

BY ENTITY	LOGINS	BY PROJECT[4]	LOGINS
MRRD (CCNPP)	1,768	CCAP/EQRA	1,356
IDLG	282	ARAP	568
World Bank	199	IRDP	328
MEW	165	All (World Bank)	199
NRAP	165	THRCP	191
MoT	116	EQRA	63
MAIL (NHLP)	33	NHLP	34
MOE – ISD	11		
	2,739		**2,739**

[4] Because users may be assigned to multiple projects, true project-specific analytics cannot be reported. For example, the 63 EQRA logins by project refer to those made by users with access to EQRA only.

ADDING VALUE

Our aim is to expand the range of monitoring undertaken and to express results in clear and understandable language

Connecting Sub-Projects to Portfolio Performance

In bringing together the financial and physical monitoring aspects of World Bank-funded projects, the opportunity exists to expand the range of monitoring tools to provide a deeper and richer assessment of sub-project-wide progress, and thereby to contribute to gauging project-wide and cross-project progress to reflect the performance of the World Bank's portfolio in Afghanistan.

Here, the broad intention is to be able to gather evidence at the sub-project level that contributes to an assessment of project-level performance – recognising that such an assessment is only applicable to that reporting period and to those kinds of sub-projects being reported on – but over time can provide evidence of trends in project performance, perhaps in the form of improved sub-project oversight and reporting, changes in the breadth of community engagement or in such basic tasks as providing PPE and First Aid kits for workers. That trend analysis can thereby contribute to a broader understanding of progress made at the portfolio level.

Figure 1: Information Flow from Sub-Project to Portfolio

Doing so also involves ensuring internal consistency with the survey questions and tools that are applied across different projects, wherever it is possible to do so (financial monitoring tools already function in this way). That has also involved reviewing World Bank indicators and project indicators as recorded in Results Frameworks and project documents to create a range of cross-project indicators for Task Team Leaders and project teams to use as a baseline on which to build for physical monitoring. This work should be ready for sharing with the World Bank during Q4 2020.

Extending the Range of Evidence

In infrastructure, we currently focus on different aspects of the construction process to provide evidence of performance: Design, Materials, Workmanship, and Operations and Maintenance (O&M)

where in place. Here, we are currently looking at ways to extend this to cover wider contract and project management issues in a more formal and consistent way, including around site management (which is already assessed in some infrastructure-focused projects), contractor compliance and the exercise of oversight by project teams, contractors and implementers, and responsible community representatives.

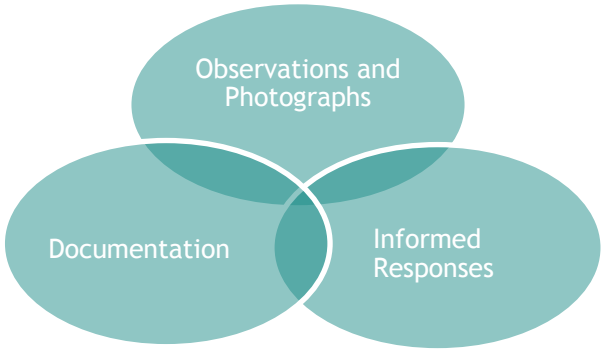
For infrastructure, the primary source of information is engineers' observations and questions to project staff, contractors, implementers, and workers. Here, specific questions are evidenced by photographs of infrastructure and documentary records.

This work is reinforced by surveys of different groups of community representatives, who may include, separately, CDC office-bearers, community elders, and female community members, among others. Again, audio records and photographs of documentary evidence are used to underpin individual or group responses.

For 'soft component' work, we engage with community members to address compliance with community mobilization, consultation and participation requirements. This includes addressing the needs of women community members, and those of any identified vulnerable or disadvantaged community groups. We review adherence to environmental and social safeguards and other factors that may reduce the level or extent of benefit generated by a sub-project, both while work is in progress and the sustainability of the sub-project once completed.

The purpose of this work is to triangulate evidence as far as possible, recognising that during the COVID-19 pandemic face-to-face individual and group engagement has been largely set aside, and remote engagement through phone calls severely limits the potential for soft component photographic evidence to be provided.

Figure 2: Triangulation of Evidence



Rationalising Scoring Systems

In Q2 2020, we began a process of revision and simplification of scoring systems. We began by looking at existing scoring models used by engineers and social researchers, assessing different ways in which progress is made, from the quality of workmanship in construction, to the degree of

engagement with vulnerable groups in sub-project planning and delivery. Here, our aim has been to rationalise and simplify the language used and the ways of assessing progress, so as to be able to report progress made in language consistent with that used by the World Bank.

Previously, physical monitoring employed a range of different methods to assess progress, and a range of language in which that progress was reported, including individual and averaged percentages, colour-coding, 1-5 scales, 'Excellent' to 'Very Poor' grading, as well as categorising deviations in terms of whether they were Critical, Major or Minor. While this last use of language will continue, we have simplified the language used, based on a 'Very Good' to 'Very Poor' scale (see Footnote 1 on page 7) and unified the scoring involving the quality of sub-project, materials and workmanship, and the nature and number of deviations identified, to provide a more rational and transparent means of categorising performance. This system (see Annex 2) will be brought into full use from Q3 2020, but the language used in rating projects in this report reflects that new model.

Presenting Information

One way that we seek to add value for the World Bank is through the way we present data from site visits, aggregating information in ways that are more useful for project management and decision-making.

In Q2 2020 we began adapting Microsoft PowerBI dashboards used for quantitative data analysis of site visit information for use by World Bank project task teams. Easier access to site visit data via PowerBI allows individual team members to engage directly with specific areas of interest without reliance on lengthy written reports. For example, an engineering adviser can aggregate findings about infrastructure deviations in a specific province across multiple monitoring periods, while a social safeguards focal point can identify locations where grievance logbooks were available during a particular month. Other filters permit analysis by sectors or contractor.

We rolled out the CCAP PowerBI dashboard to task teams in Q2 and others will follow in Q3 2020. PowerBI also facilitates cross-portfolio analysis and reporting, functionality that will feed into an Environmental and Social Safeguards Framework dashboard, which will be available in early 2021.

Stakeholder Engagement

Q2 2020 was the first full quarter of this contract in which we conducted three months of site-visits[5]. We have now submitted one quarterly report (for Q1 2020) and two monthly reports (for April and May 2020). We are now at the stage where we will engage with Task Teams and other World Bank stakeholders to better understand how they engage with the information we present in our written reports and on the digital platform. From Q3 2020, we will aim to hold guided feedback

[5] Q1 2020 included a two-month Inception Phase and one month of monitoring site-visits.

sessions with individual Task Teams to determine whether the information needs discussed at the Co-Design Workshop held in Dubai in February 2020 are being met and whether they have changed. We will also engage teams to share their perspectives on what they found useful in our reporting and where gaps exist in both the information gathered and the way it is presented. These discussions will help us tailor our monitoring and reporting to meet Task Team information requirements. Generating information that is both useful and used, while presenting it in a way that users find accessible, is the cornerstone of ensuring value for money to the World Bank.

PROJECT RISKS AND EMERGING ISSUES

Ongoing risks arising from insecurity and the continuing impact of COVID-19 infections are addressed through a regularly updated security plan and COVID-19 Contingency Plan.

Findings from our engineers, social researchers and call centre staff indicate similar findings to those in Q1 2020, so they are only summarised here:

- The quality and consistency of initial and continuing sub-project oversight, whether by project staff or community members, remains an issue. There is some evidence of site-specific design failing to adequately take account of and respond to local geography, such as in relation to sloping or flood-prone ground;
- Poor contract oversight is consistently identified as contributing to deviations, particularly in relation to the use of sub-standard materials and poor-quality workmanship;
- On-site availability of standard documentation, including that in relation to environmental and social safeguards, remains a challenge;
- The distribution and use of PPE remain haphazard;
- Consultation with women in sub-project planning and implementation remains highly variable between and within projects and sub-projects.

ANNEX 1: SITE AND SUB-PROJECT RATING SYSTEM

INFRASTRUCTURE

SCORE	RATING	DEFINITION
Design		
5	Very Good	The design was created with full consideration of the site requirements. The design is fully appropriate and allows for 100 percent of intended functionality and design life.
4.0-4.9	Good	The design responds to almost all site requirements; however, small considerations could have reduced wear and tear and lowered maintenance requirements. Intended functionality is between 90 percent and 100 percent and design life is not impacted.
3.0-3.9	Average	The design responds only to the major requirements of the site. Some of the design may be inappropriate or missing important elements, causing the project to have between 70 percent and 90 percent of intended functionality and a shorter design life.
2.0-2.9	Below Average	The design does not respond to all major requirements of the site. Much of the design may be inappropriate or missing important elements, severely lowering functionality to between 40 percent and 70 percent. Sustainability is negatively impacted, and the project will require more maintenance than otherwise would be necessary.
1.0-1.9	Poor	The design responds only to a minority of the major requirements of the site. The design may be largely inappropriate or missing important elements, making the project unsustainable and non-functional in a number of identifiable areas (between 10 and 40 percent). Portions of the design may have not been feasibly implemented.
0.0-0.9	Very Poor	The design does not consider any of the major requirements of the site. The design is inappropriate, making the project unsustainable and non-functional (below 10 percent). Identified deficiencies cannot be remedied without affecting the sub-project budget or timeframe and may not be capable of rectification.
Materials		
5	Very Good	The materials used meet all the technical specifications and exceed them in some areas.
4.0-4.9	Good	The materials used meet all the technical specifications.
3.0-3.9	Average	The materials used meet the major specifications, with some evident deficiencies that can be remedied without affecting the sub-project budget or timeframe.
2.0-2.9	Below Average	The materials used deviate from the technical specifications, with a number of evident deficiencies that can be remedied but are likely to affect the sub-project budget or timeframe.
1.0-1.9	Poor	Many of the materials used deviate from the technical specifications, with many evident deficiencies that cannot be remedied without affecting the sub-project budget or timeframe.
0.0-0.9	Very Poor	All, or almost all of the materials used deviate from the technical specifications requiring serious reworking, up to and including complete replacement. Identified deficiencies cannot be remedied without

		affecting the sub-project budget or timeframe and may not be capable of rectification.
Workmanship		
5	Very Good	The quality of workmanship meets all the technical specifications and exceeds them in some areas.
4.0-4.9	Good	The quality of workmanship meets all the technical specifications.
3.0-3.9	Average	The quality of workmanship meets the major specifications, with some evident deficiencies that can be remedied without affecting the sub-project budget or timeframe.
2.0-2.9	Below Average	The quality of workmanship meets the technical specifications, with a number of evident deficiencies that can be remedied but are likely to affect the sub-project budget or timeframe.
1.0-1.9	Poor	The workmanship quality deviates significantly from the technical specifications, with many evident deficiencies that cannot be remedied without affecting the sub-project budget or timeframe.
0.0-0.9	Very Poor	In all, or almost all cases, the quality of workmanship deviates from the technical specifications requiring serious reworking, up to and including complete replacement. Identified deficiencies cannot be remedied without affecting the sub-project budget or timeframe and may not be capable of rectification.
Operations and Maintenance		
5	Very Good	The O&M Plan is fully funded and being implemented. It meets all the requirements of the site or sub-project, exceeds it in some identifiable areas, and is expected to be sustainable over the entire design life of the sub-project.
4.0-4.9	Good	The O&M Plan meets all the requirements of the site or sub-project and fully funded. If not already being implemented, it is expected to be fully funded and to be sustainable over the entire design life.
3.0-3.9	Average	The O&M Plan meets the major requirements of the site or sub-project. The majority of funds needed are in place to support implementation.
2.0-2.9	Below Average	The O&M Plan meets some but not all of the major requirements of the site or sub-project. A minority of the funds needed to support implementation are in place. If not already being implemented the Plan is not expected to be fully funded.
1.0-1.9	Poor	The O&M Plan meets very few of the major requirements of the site or sub-project.
0.0-0.9	Very Poor	The O&M Plan does not support or is likely to fail to support the sustainability of the site or sub-project.

ANNEX 2: SCORING AND RATING

Note: Formal scoring and rating currently reflect Physical works. Scoring and rating of other elements is planned for introduction from late 2020 by arrangement with project staff and as survey tools are developed.

TERMINOLOGY	CATEGORIES	DEFINITION
Physical Works (Infrastructure)		
Deviation	Critical	• Failure to construct infrastructure in a way that risks the safety or lives of workers or community members during construction and requiring urgent mitigation before work can continue. • For completed infrastructure, failure to construct infrastructure in a way that is likely to risk the safety or lives of community members or users. • A non-recoverable negative impact in terms of structural quality, functionality or sustainability.
	Major	• Capable of being rectified but not within existing budget and/or timeframe for completion. • A significant negative impact in terms of overall structural quality, functionality and/or sustainability. • Not capable of being rectified and resulting in agreed budget and timeframe for completion being exceeded.
	Minor	• Capable of being rectified within existing budget and/or timeframe for completion. • No significant negative impact in terms of overall structural quality, functionality and/or sustainability. • Not capable of being rectified but no negative effect on agreed budget and timeframe for completion.
Notification	Minor	Minor deviations identified with an estimated rectification cost of under USD 50 are treated as Notifications, listed and supplied to the Government project team for resolution.
Procedural Requirements		
Compliance	Compliant	• All required procedures, including those required in advance of expenditure and civil works, have been completed and have been or are being implemented. • Documentary evidence of implementation is available and can be observed during site visits. • Documentary evidence is available to attest the sufficient quality of plans and procedures as implemented.
	Non-compliant to a limited degree	• A minority of required procedures, including those required in advance of expenditure and civil works, have not been completed. • A minority of required procedures are not being implemented as agreed. • A minority of appropriate documentary evidence of implementation is not available during site visits.

		• A minority of appropriate documentary evidence to attest the sufficient quality of plans and procedures is not available during site visits. • May be capable of being rectified with moderate adjustments and expenditure.
	Non-compliant to a significant degree	• Half or more of required procedures, including those required in advance of expenditure and civil works, have not been completed. • Half or more of required procedures are not being implemented as agreed. • Half or more of appropriate documentary evidence of implementation is not available during site visits. • Half or more of appropriate documentary evidence to attest the sufficient quality of plans and procedures is not available during site visits. • Non-compliance may not be capable of being rectified or rectification will require significant resources and time.
	Compliance in progress	• Planning for and/or implementation of required procedures is under way, even if they have not yet been completed. • Documentary evidence is available to attest the sufficient quality of planning and/or implementation.
Environmental and Social Safeguards		
Compliance	Compliant	• All required plans and procedures, including those required in advance of expenditure and civil works, have been completed and have been or are being implemented. • Documentary evidence of implementation is available and can be observed during site visits. • Documentary evidence is available to attest the sufficient quality of plans and procedures as implemented.
	Non-compliant to a limited degree	• A minority of required plans and procedures, including those required in advance of expenditure and civil works, have not been completed. • A minority of required plans and procedures are not being implemented as agreed. • A minority of appropriate documentary evidence of implementation is not available during site visits. • A minority of appropriate documentary evidence to attest the sufficient quality of plans and procedures is not available during site visits. • May be capable of being rectified with moderate adjustments and expenditure.
	Non-compliant to a significant degree	• Half or more of required plans and procedures, including those required in advance of expenditure and civil works, have not been completed. • Half or more of required plans and procedures are not being implemented as agreed. • Half or more of appropriate documentary evidence of implementation is not available during site visits. • Half or more of appropriate documentary evidence to attest the sufficient quality of plans and procedures is not available during site visits. • Non-compliance may not be capable of being rectified or rectification will require significant resources and time.
	Compliance in progress	• Planning for and/or implementation of required plans and procedures is under way (such as land acquisition arrangements), even if they have not yet been completed.

		• Documentary evidence is available to attest the sufficient quality of planning and/or implementation.
Health and Safety		
Compliance	Compliant	• All required health and safety measures are in place (for example, regular toolbox meetings, induction for new staff, provision of PPEs where required and as appropriate, first aid stations and kits available). • Health and safety incidents (including fatalities and near misses) incidents are monitored, recorded and reported
	Non-compliant to a limited degree	• The majority of required health and safety measures are in place (for example, regular toolbox meetings, induction for new staff, provision of PPE where required and as appropriate, first aid stations and kits available). • Health and safety incidents (fatalities and near misses) are monitored but not necessarily recorded or reported.
	Non-compliant to a significant degree	• Half or more of required health and safety measures are not in place. • Health and safety incidents (fatalities and near misses) are mostly (or completely) unmonitored, unrecorded and/or unreported. • Site visits reveal serious incidents that have gone unreported.
	Compliance in progress	Planning for and/or implementation of health and safety measures is in progress (for example, development of road safety plans, standard operating procedures for machinery, purchasing of PPE and first aid equipment, etc.).
Fiduciary Controls and Documentation		
Compliance	Compliant	• All agreed fiduciary procedures, including those required in advance of expenditure, have been completed. • All required documents are available when requested.
	Non-compliant to a limited degree	• A minority of agreed fiduciary procedures and control measures, including those required in advance of expenditure, have not been completed. • A minority of required documents (from an agreed list) are not available when requested. • May or may not be capable of being rectified.
	Non-compliant to a significant degree	• Half or more of agreed fiduciary procedures, including those required in advance of expenditure, have not been completed. • Half or more of required documents are unavailable when requested. May or may not be capable of being rectified. • May or may not be capable of being rectified.
Resource Utilization (where applicable)		
Compliance	Compliant	To date, agreed resources have been made available to pre-identified beneficiaries.
	Non-compliant to a limited degree	• Up to 20 per cent of pre-identified beneficiaries have not yet received agreed resources (for example, farm inputs). AND/OR • Up to 20 per cent of beneficiaries in receipt of agreed resources (for example, farm inputs) are not those originally agreed upon. • May or may not be capable of being rectified.
	Non-compliant to a significant degree	• More than 20 per cent of pre-identified beneficiaries have not yet received agreed resources (for example, farm inputs). AND/OR

		• More than 20 per cent of beneficiaries in receipt of agreed resources (for example, farm inputs) are not those originally pre-identified. • May or may not be capable of being rectified.

SCORING AND RATING

SCORE	DEVIATIONS	RATING
5.00	No deviations	Very Good
	Not more than 4 Minor deviations	Good
3.00-4.99	No Critical deviations	Good
	1 Critical deviation	Below Average
	More than 1 Critical deviation	Poor
	Not more than 2 Major deviations	Good
	Not more than 5 Major deviations	Average
	More than 5 Major deviations	Below Average
	Not more than 4 Minor deviations	Good
	Not more than 10 Minor deviations	Average
	More than 10 Minor deviations	Below Average
2.00-2.99	No Critical deviations	Below Average
	1 Critical deviation	Poor
	More than 1 Critical deviation	Very Poor
	Not more than 2 Major deviations	Below Average
	More than 2 Major deviations	Poor
	Not more than 4 Minor deviations	Below Average
	More than 4 Minor deviations	Poor
0.00-1.99	Not more than 1 Critical deviation, not more than 5 Major deviations, or not more than 10 Minor deviations	Poor
	More than 1 Critical deviation, more than 5 Major deviations, or more than 10 Minor deviations	Very Poor

In reporting on individual projects, a project-level rating is provided to reflect the average rating for all sites and sub-projects monitored in each reporting period, with individual ratings for sites and sub-projects also reported.