

# Third Party Monitoring Agent 2022 Annual Report

July 2023



This document is prepared solely for  
the use and benefit of the World Bank.

Neither the authors nor BDO LLP accept or assume  
any responsibility or duty of care to any third party.

# Key messages

Throughout 2022, we retained a flexible approach, adjusting our activities to meet changing information needs while continuing to provide fiscal assurance and physical verification, and track trends across key sectors. The information we provided has helped the World Bank consolidate learning on project implementation over the past 20 years, informing decisions on the next steps to support the Afghan people.

Over the past year, we provided fiscal assurance for over USD 577 million of investment project expenditure. We validated invoices for payment to Service Providers and Facilitating Partners for various investment projects. We also conducted Commitment Reviews for nine projects, and we reviewed transactions recorded in projects' bank accounts.

Our largest monitoring activity in 2022 focused on addressing information gaps for the World Bank. We conducted over 2,000 in-person location visits and 100,000 interviews to provide unique insights on the current status of the Afghan economy and health sector.

We also worked with new UN implementing partners over the second half of the year to develop third party monitoring frameworks for five new projects that were approved in 2022, leading to data collection in 2023.

## Front cover image

Credit: Azizullah Karimi

Workers build a protective wall to prevent flooding and improve agricultural productivity in Khulm district, Balkh province, Afghanistan.

# Contents

<b>Executive summary</b> .....	<b>1</b>
<b>1. Introduction</b> .....	<b>8</b>
1.1 Scope of our monitoring .....	8
1.2 Added value .....	9
1.3 Adapting to challenges.....	9
1.4 Using this report .....	10
<b>2. Financial monitoring</b> .....	<b>12</b>
2.1 Project Statement of Expenditure reviews and Questionable Transactions .....	12
2.2 Validation of NGO invoices .....	13
2.3 Review of Statements of Cash Receipts and Payments .....	14
2.4 Commitment Reviews .....	15
2.5 Review of project bank accounts since August 15, 2021 .....	16
<b>3. Project monitoring</b> .....	<b>17</b>
3.1 Scoring project infrastructure .....	19
3.2 Good Practice and Extra Works.....	19
3.3 Deviations.....	20
3.4 Main findings related to Environmental and Social Standards .....	22
<b>4. Sector monitoring</b> .....	<b>28</b>
4.1 Economic sector monitoring .....	29
4.2 Health sector monitoring.....	30
<b>5. Planning for new project monitoring</b> .....	<b>33</b>
<b>6. Conclusion: Adding value while navigating change</b> .....	<b>35</b>
6.1 Supporting new projects and implementing partners.....	35
6.2 Increasing the scope of sector monitoring.....	35
6.3 Looking forward to 2023.....	36

**Annexes..... 37**

Annex 1: Monitoring Agent Scope and Methodology ..... 37

Annex 2: Statements of Expenditure Cover Letters Issued in 2022 ..... 47

Annex 3: Status of Questionable Transactions at 31 December 2022 ..... 50

Annex 4: Service Provider Invoice Cover Letters Issued in 2022 ..... 52

Annex 5: Facilitating Partner Invoice Cover Letters Issued in 2022 ..... 54

Annex 6: Statements of Cash Receipts and Payments Cover Letters Issued in 2022 ..... 56

Annex 7: Projects’ Banking Transactions, as at December 31, 2022 ..... 58

Annex 8: Central Asia - South Asia Electricity Transmission and Trade 1000 project..... 61

Annex 9: Herat Electrification Project..... 71

Annex 10: Naghlu Hydropower Rehabilitation Project ..... 83

Annex 11: Implementation Completion and Results Reports..... 92

Annex 12: Economic Sector Monitoring..... 104

Annex 13: Health Sector Monitoring (RHQA ) ..... 120

# Figures

Figure 1: Monitoring Agent interviews, interviewees, and interviewers by gender in 2022.....	6
Figure 2: Monitoring Agent project and sector monitoring location visits in 2022.....	7
Figure 3: Project monitoring summary infographic.....	17
Figure 4: Deviations identified in 2022, by project and aspect.....	22
Figure 5: Sector Monitoring location visits from January to December 2022.....	28
Figure 6: Site visits by health facility type .....	30

# Tables

Table 1: Monitoring Agent location visits and interviews in 2020, 2021, and 2022 .....	10
Table 2: Description of contents.....	11
Table 3: Results of Statement of Expenditure reviews conducted from December 22, 2019 to September 30, 2022 with closed project reporting to August 15, 2021 (in USD) .....	12
Table 4: Status of unresolved Questionable Transactions at the end of 2022 .....	13
Table 5: NGO invoice Cover Letters issued in 2022, by grant (in USD) .....	13
Table 6: NGO invoice Cover Letters issued in 2022, by project (in USD).....	13
Table 7: Summary of Statement of Cash Receipts and Payments reviews in 2022 (USD) .....	14
Table 8: Findings from Statement of Cash Receipts and Payments reviews .....	14
Table 9: Summary of project Commitment Reviews in 2022 (in USD and AFN).....	15
Table 10: Monitoring Agent 2022 project ratings.....	19
Table 11: Instances of Good Practice and Extra Works identified in 2022.....	19
Table 12: Deviations identified in 2022.....	21
Table 13: Estimated costs of rectification of deviations identified in 2022.....	21
Table 14: Information about trees cut down for construction of ARTF investment project activities	23
Table 15: Information related to disaster risk management for ARTF investment projects.....	24
Table 16: Information related to land acquisition for ARTF investment projects.....	25
Table 17: Information related to the impact of land acquisition for ARTF investment projects .....	26
Table 18: Information about separate latrines for female teachers .....	27
Table 19: Information about separate latrines for girl students.....	27
Table 20: Monitoring Agent activities in 2022 for new ARTF projects.....	33
Table 21: Monitoring Agent activities planned in 2023 .....	36

# Acronyms and abbreviations

AADA	Agency for Assistance and Development for Afghanistan
AFN	Afghani (currency)
AKHS	Aga Khan Health Services
ANC	Ante-Natal Care
ARTF	Afghanistan Reconstruction Trust Fund
BARAN	Bu Ali Rehabilitation and Aid Network
BDN	Bakhtar Development Network
BHC(s)	Basic Health Center(s)
BPHS	Basic Package of Health Services
CA	Clearing Account
CASA-1000	Central Asia-South Asia Electricity Transmission and Trade Project
CASA CSP	Central Asia-South Asia Community Support Project
CCAP	Citizens' Charter Afghanistan Project
CDC(s)	Community Development Council(s)
CHA	Coordination of Humanitarian Assistance
CHC(s)	Comprehensive Health Center(s)
CIP	Cities Investment Program
CRLP	Community Resilience and Livelihoods Project
CYP	Couple-Year Protection
DA	Designated Account
DAB	Da Afghanistan Bank
DABS	Da Afghanistan Breshna Sherkat
DH(s)	District Hospital(s)
EATS	Emergency Agriculture and Food Supply Project
EERA	Education Emergency Response in Afghanistan
EFSP	Emergency Food Security Project
ERHSPP	Emergency Response and Health Systems Preparedness Project
ESS	Environmental and Social Standards
EZ-Kar	Eshteghal Zaiee - Karmondena
FACE	Fund Authorization and Expenditure
FAO	Food and Agriculture Organization
FCA	Farmers Contribution Account
FP(s)	Facilitating Partner(s)
FY	Financial Year
GDAA	General Directorate of Administrative Affairs
HACT	Harmonized Approach to Cash Transfer
HEP	Herat Electrification Project
HER	Health Emergency Response
HMIS	Health Management Information System
HNTPO	HealthNet TPO
HVAC	High-Voltage Alternating Current

HVDC	High-Voltage Direct Current
ICR	Implementation Completion and Results
IDA	International Development Association
IDLG	Independent Directorate of Local Governance
ITA	Interim Taliban Administration
JACK	Just for Afghan Capacity and Knowledge
MA	World Bank Monitoring Agent
MMRCA	Medical Management and Research Courses Afghanistan
MoE	Ministry of Education
MoF	Ministry of Finance
MoPH	Ministry of Public Health
MoPW	Ministry of Public Works
MRRD	Ministry of Rural Rehabilitation and Development
NCCSP	NGO/CSO Capacity Support Project
NGO(s)	Non-Governmental Organization(s)
NHP	Naghlu Hydropower Plant
NHRP	Naghlu Hydropower Rehabilitation Project
O&M	Operations and Maintenance
OpEx	Operational Expenditures
PIU	Project Implementation Unit
PNC	Post-Natal Care
PPE	Personal Protective Equipment
QT(s)	Questionable Transaction(s)
REACH	Relief Activities for Afghan Communities and Household Project
RHDO	Relief Humanitarian and Development Organization
RHQA	Rapid Health Quality Assessment
SAF	Solidarity for Afghan Families
SCA	Swedish Committee for Afghanistan
SCRP	Statement of Cash Receipts and Payments
SHC(s)	Sub-Health Center(s)
SOC(s)	State-Owned Corporation(s)
SoE(s)	Statement(s) of Expenditure
SP(s)	Service Provider(s)
THRCP	Trans-Hindukush Road Connectivity Project
ToR	Terms of Reference
TPM	Third Party Monitoring
TPMA(s)	Third Party Monitoring Agent(s)
UN	United Nations
UNDP	United Nations Development Programme
UNICEF	United Nations Children's Fund
UNOPS	United Nations Office for Project Services
USD	United States Dollar (currency)
WEE-RDP	Women's Economic Empowerment Rural Development Project



# Executive summary

At the start of 2022, the Afghan economy was suffering from multiple shocks following the abrupt change in government in August 2021. Cut off from the international financial system, rapidly rising prices for essential food and non-food items underscored fears of financial collapse. The health sector, which was largely supported by international funding under the previous government, was also extremely unstable. Against this backdrop, as the World Bank Monitoring Agent in Afghanistan, in 2021 we reviewed invoices submitted by 22 Service Providers for the Sehatmandi project in 34 provinces, amounting to USD 23,28 million. We recommended payment against a claim amounting to USD 15.60 million, which represents 67% of the total invoiced amount. Our support helped provide assurance and played a role in continued support to health care service provision to the Afghan people.

In 2022, we continued our activities to support the Bank with timely and accurate information from financial reviews, physical verification, and sector monitoring. Over the year, our monitoring showed a country settling into a new lower-level equilibrium where widespread conflict had abated, but extreme poverty and hunger remained high. By the end of 2022, our health sector monitoring found that, while long-term systemic issues remained, the Afghan public health sector was surviving with continued support of the international community, while significant economic pressures remained.

## Our objectives and activities in 2022

In 2022, we began a third year of monitoring to enhance the World Bank’s supervision and oversight



### 2022 at a glance

#### Financial monitoring activities



46 Statement of Expenditure cover letters issued for 26 investment projects



Reviewed USD 246 million worth of Statement of Cash Receipts and Payments for 34 investment projects for FY 1399



Commitment Reviews: USD 6 million of which USD 2 million was recommended for documentation for 9 investment projects



Validated 81% of 96 Cover Letters for USD 39 million of NGO invoices for 5 investment projects



Review of project bank accounts: USD 277 million in the bank accounts of 40 investment projects

#### Physical monitoring activities



516 in-person project monitoring visits



500 in-person project monitoring interviews



2,138 sector monitoring site visits



104,333 in-person sector monitoring interviews



4,652 telephone sector monitoring interviews

of past and continuing activities funded by or through the Afghanistan Reconstruction Trust Fund (ARTF) and International Development Association (IDA). During this year we continued to adapt our activities to support the World Bank and other stakeholders as they navigated extraordinary contextual changes.

This report details our activities and findings from 1 January to 31 December 2022, which can all be linked to our three main objectives for 2022:

1. Support physical verification of project completion, and support project closure for investment projects previously implemented by the Afghan government under the Republic pre-August 2021.
2. Address information gaps that have arisen since August 2021.
3. Provide third party monitoring services in support of the new investment projects approved in 2022.

The focus of our 2022 monitoring activities was more varied than in previous years, but our commitment to our mission remained unchanged. We continue to provide timely and accurate information to help guide decisions in support of the millions of Afghans suffering severe hardship.

## Our added value

In 2022, we continued to adapt activities to strengthen our added value to the World Bank and ARTF donors. Our teams of accountants and researchers worked together to provide **fiscal assurance** for over USD 577 million of investment project expenditure, and in-person monitoring visits intended to provide **value for money** by supplying important information about project completion, and supporting World Bank project closure processes for investment projects that used to be implemented by the Afghan government under the Republic. Our core financial monitoring project closure activities (Statement of Expenditure reviews, validation of NGO invoices and commitment reviews) assisted the Bank in documenting over USD 99 million of additional expenditure (total expenditure of approximately USD 191.09 million certified since August 2021), which may otherwise have been written off following the post August 15, 2021 uncertainties. Moreover, our in-person location visits, combined with phone interviews, helped **fill critical information gaps** by providing the World Bank with unique insights on the current state of the Afghan economy and health sector. Findings from location visits and interviews helped the World Bank and donors to **sustain ARTF gains** by informing the design and project implementation of the UN-agency implemented projects approved in 2022. In the second half of the year, we undertook preparatory work intended to ensure our ability to **provide an independent perspective on the performance of these five new projects** through the development of third party monitoring (TPM) frameworks for each project. Since infrastructure is no longer a common element, our focus is on Entry Criteria for Access indicators and adherence to project-specific Environmental and Social Standards (ESS), service delivery, beneficiary verification, and financial assurance. Monitoring activities for these new projects began in early 2023.

## Adapting to changing circumstances

Our teams of over 500 in-country accountants, engineers, social researchers, enumerators and translators had to react to multiple and wide-ranging challenges throughout the year. Although widespread conflict abated following the change in government, our data collection teams encountered new challenges. We have enabled our female staff to work from home and budgeted for and provide female enumerators with a *mahram*. In addition, as location visit access became increasingly limited due to continuous changes in policies authorizing data collection, much more effort was expended on coordination and relationship-building to obtain permissions needed to undertake our work. This required engagement with individual ministers and officials at lower levels, including in some cases provincial governors. This process now begins far in advance of actual data collection and requires us to manage expectations around data collection timelines and the degree of coordination required.

## Key findings

### Statements of Expenditure

Since we began conducting project Statement of Expenditure (SoE) reviews in December 2019, we have completed reviews of 239 project SoEs, including in 2022, where we continued this work for expenditure incurred in the period to August 15, 2021. In 2022, we issued 46 SoE Cover Letters for 26 investment projects, allowing the Bank to document additional USD 58.41 million of project expenditure which may otherwise have been written off because of uncertainties following the change in government.

### Validation of non-governmental organization invoices

We reviewed, validated, and reconciled invoices submitted by non-governmental organizations (NGOs) acting as Service Providers (SPs) to the Covid-19 Emergency Response and Health Systems Preparedness Project (Covid-19 ERHSPP), and by NGO Facilitating Partners (FPs) for the Citizens' Charter Afghanistan Project (CCAP), Relief Activities for Afghan Communities and Household Project (REACH), Women's Economic Empowerment Rural Development Project (WEE-RDP) and Eshteghal Zaiee - Karmondana (EZ-Kar). Our objective was to confirm whether the amounts invoiced were accurate and, if not, to recommend a certified amount for payment. We conducted our reviews in accordance with procedures agreed with the World Bank and issued 96 Cover Letters certifying USD 38.90 million (81% of the amounts invoiced). In 2021, we completed our review of amounting to USD 23.28 million and recommended payment against a claim amounting to USD 15.60 million, which represents 67% of the total invoiced amount. In total we certified USD 54.50 million (75%) of the amount invoiced in two years.

### Review of Statements of Cash Receipts and Payments

We continued reviewing Statements of Cash Receipts and Payments (SCRPs), which formed part of each project's financial statements for the Afghan Financial Year (FY) 1399. Reviews of SCRPs for FY 1400 will begin in 2023. We completed reviews and submitted SCRPs Cover Letters, monitoring an average of 98% of payments made. Documented payments amounted to USD 246.36 million and our financial findings amounting to USD 934,177 (0.38% of total payments).

### Commitment Reviews

We completed Commitment Reviews for nine projects during the reporting period, whose objective was to determine whether the project's commitments were for the intended purposes and eligible for financing in accordance with the ARTF Grant and IDA Financing Agreements, and to report on the status of project advances and Designated Account (DA) activities after August 15, 2021. Commitments amounting in total to USD 4,416,250 and AFN 174,402,155 for nine projects were claimed, against which we recommended USD 1,442,614 (33%) and AFN 49,340,322 (28%) for documentation.

### Review of projects' bank accounts

We reviewed transactions recorded in project bank accounts since the change in government on August 15, 2021. Any banking credits (deposits) after that date were primarily for refunds of unutilized petty cash and operational advances to project bank accounts.

### Project monitoring

In 2022, four of the seven investment projects we monitored were large-scale infrastructure projects, previously implemented, their value exceeding USD 500 million. We monitored three of these projects to assess project completion:

- Central Asia-South Asia Electricity Transmission and Trade Project (CASA-1000)
- Herat Electrification Project (HEP)
- Naghlu Hydropower Rehabilitation Project (NHRP).

In monitoring four other projects, we provided the World Bank with inputs to the Implementation Completion and Results (ICR) reports required to close a project:

- Central Asia-South Asia Community Support Program (CASA CSP)
- Cities Investment Program (CIP)
- EQRA
- Trans-Hindukush Road Connectivity Project (THRCP).

For all of these projects, our engineers conducted assessments focusing on: (i) aspects of project construction; (ii) adherence to applicable ESS requirements; and (iii) project documents relating to construction, procurement, and ESS.

- **In 2022, we rated the performance of five of the seven projects monitored. One was rated ‘Good’, one ‘Below Average’ and three ‘Poor’.** The relatively low ratings reflected the number and severity of infrastructure shortcomings (‘deviations’) we identified.
- **Engineers looked for instances of Good Practice or Extra Works in five of the seven projects monitored.** They identified instances of Good Practice and Extra Works in three projects: CASA-1000, EQRA, and NHRP.
- **Deviations comprised only 1.7% of all observations made by our engineers, half the corresponding percentage for 2021.** At each construction site visited, our engineers assessed infrastructure progress and work quality, making over 26,000 observations. Out of these, they identified 449 deviations, most relating to poor project management or maintenance, the latter to be expected given that most projects had been (temporarily) halted after August 2021.
- **As in the previous two years, the estimated cost of rectifying deviations identified in 2022 for sites visited by our engineers comprised less than 1% of the total project budget.** In all, our engineers estimated that it would cost USD 3.85 million to rectify the deviations found.
- **As in 2020 and 2021, we did not find evidence of widespread or large-scale negative environmental impact from project construction.** However, we identified a critical deviation relating to build-up of potentially toxic sediment at the Naghlu Dam, which risks a large-scale ecological disaster and a shut-down of the dam should the sediment reach the turbine intakes.

## Sector monitoring

In 2022, we addressed information gaps in several key sectors, including the economy, health, and governance.

For **economic sector monitoring in 2022**, we conducted **more than 1,700 location visits and more than 84,000 interviews**. Our interviews involved a variety of stakeholders, including bank managers and customers, shop owners, *Hawala* operators, informal currency exchangers, day laborers, and civil servants.

We tracked primary and secondary sources of information covering: financial, budgetary, and fiscal policies, administration, and expenditure; justice and the rule of law; public services and public accountability.

For **health sector monitoring**, we conducted a Rapid Health Quality Assessment (RHQA) in September and October 2022. As part of this assessment, we visited **405 health facilities managed by 14 SPs in all 34 provinces**. We also conducted **remote qualitative interviews with 1,526 facility staff by phone and 15,795 in-person surveys with patients or community members** to verify that they had received the services recorded. Our findings indicated that, despite facing significant challenges, Afghanistan’s health facilities are still operational and providing valuable services. Although most facilities meet the necessary requirements in terms of positions filled, there are concerns about shortages of female healthcare workers, general practitioners, and specialized staff such as anesthetists. Staff retention rates and job satisfaction are high, and perceptions of the health sector have improved for most staff, although women were less likely to cite improved conditions than men.

Some infrastructure shortfalls remain a challenge. While most facilities have functional water and electricity

sources, there acute issues were identified depending on the type of health facility. The most stark being that only 37% of Sub-Health Centers sampled had a functional water supply. Two-thirds of facilities reported instances of medicine shortages over the past year. Although almost all required equipment was available and functional, Sub-Health Centers (SHCs) were less likely to have all the equipment they needed compared to other health facility types. While most facilities practice disinfection measures and waste management procedures, there are issues relating to waste management and infection prevention, with few facilities applying measures to minimize risks associated with hazardous medical waste. In terms of the accuracy of recording data, only two out of 14 SPs met an agreed optimal level of verification.

## New projects

In 2022, the ARTF Management Committee and the World Bank approved five new projects for Afghanistan to be implemented off-budget out of the ITA's control, through United Nations (UN) agencies and NGOs. In the second half of 2022, we supported the World Bank and the UN with developing the TPM framework for each project. These efforts helped define the scope of our work for each project, intended to enable us to begin data collection in 2023.

## Looking ahead

In 2023, our main focus will be on the five new UN agency-implemented projects. We will provide TPM support for UNOPS' Community Resilience and Livelihoods Project (CRLP) and UNDP's NGO/CSO Capacity Support Project (NCCSP). For projects whose implementing agencies have existing Third Party Monitoring Agents (TPMAs), such as UNICEF's Education Emergency Response in Afghanistan (EERA) and Health Emergency Response (HER), we will provide additional TPM. For the Emergency Food Security Project (EFSP), we will validate monitoring findings from FAO's own TPMAs.

We will continue to review government liabilities for ten projects for which expenditure was incurred during the previous government that remain unpaid and review SCRPs for 40 projects. We will also review the bank statements of these 40 projects with the intention of identifying any transactions recorded after the change in government. Furthermore, we plan to conduct 14 Harmonized Approach to Cash Transfer (HACT) Framework audits and provide audit opinion expenditure reported by implementing partners through Fund Authorization and Expenditures (FACE) forms to UNICEF.

We will also continue to address information gaps through our work on economic sector monitoring and governance, and to expand the scope of our work through education sector monitoring.

Finally, our online Digital Platform included datasets, reports, and Power BI dashboards. During 2023, we will work to make parts the Platform available for donors, and to UN implementing agencies to support project implementation.

Figure 1: Monitoring Agent interviews, interviewees, and interviewers by gender in 2022

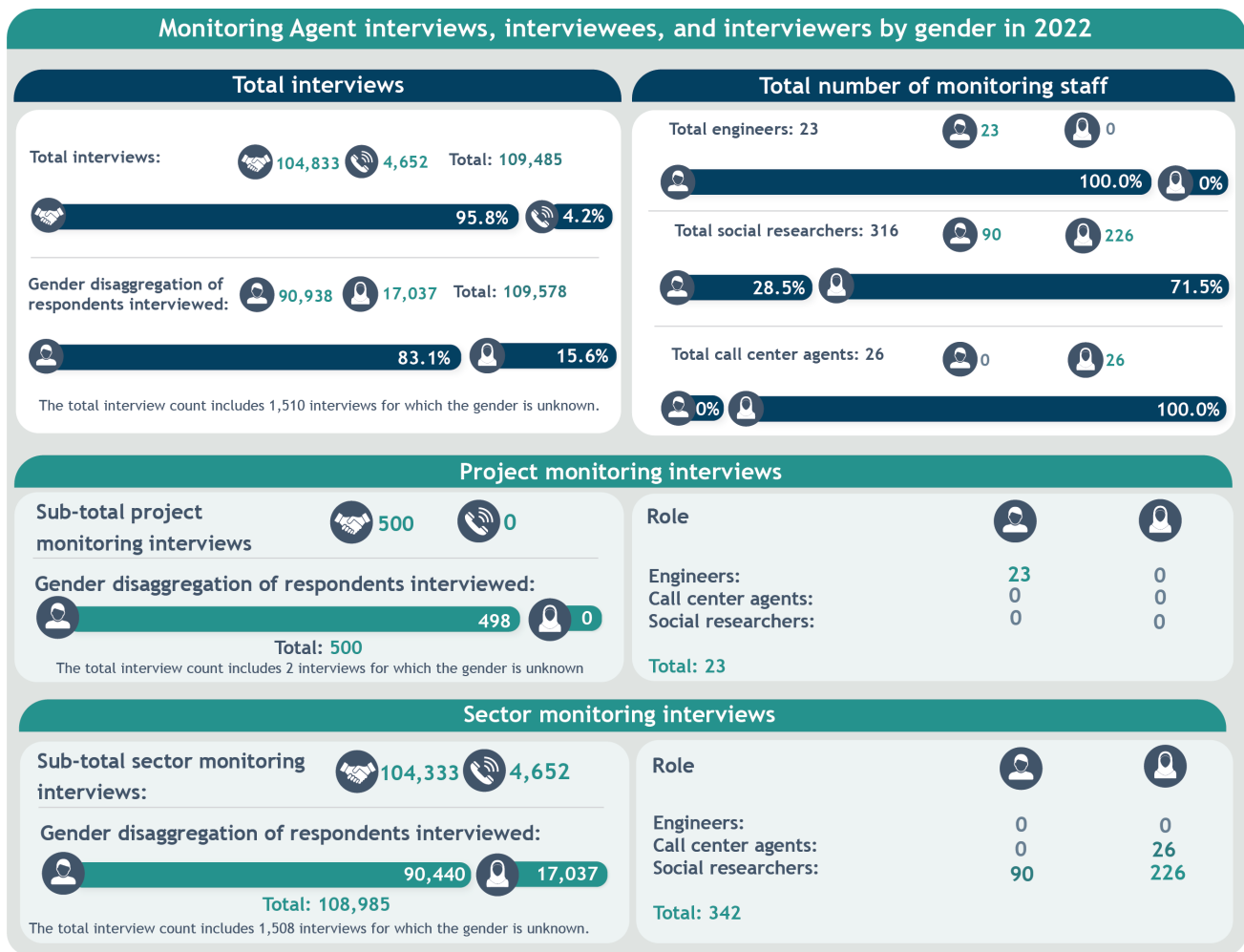
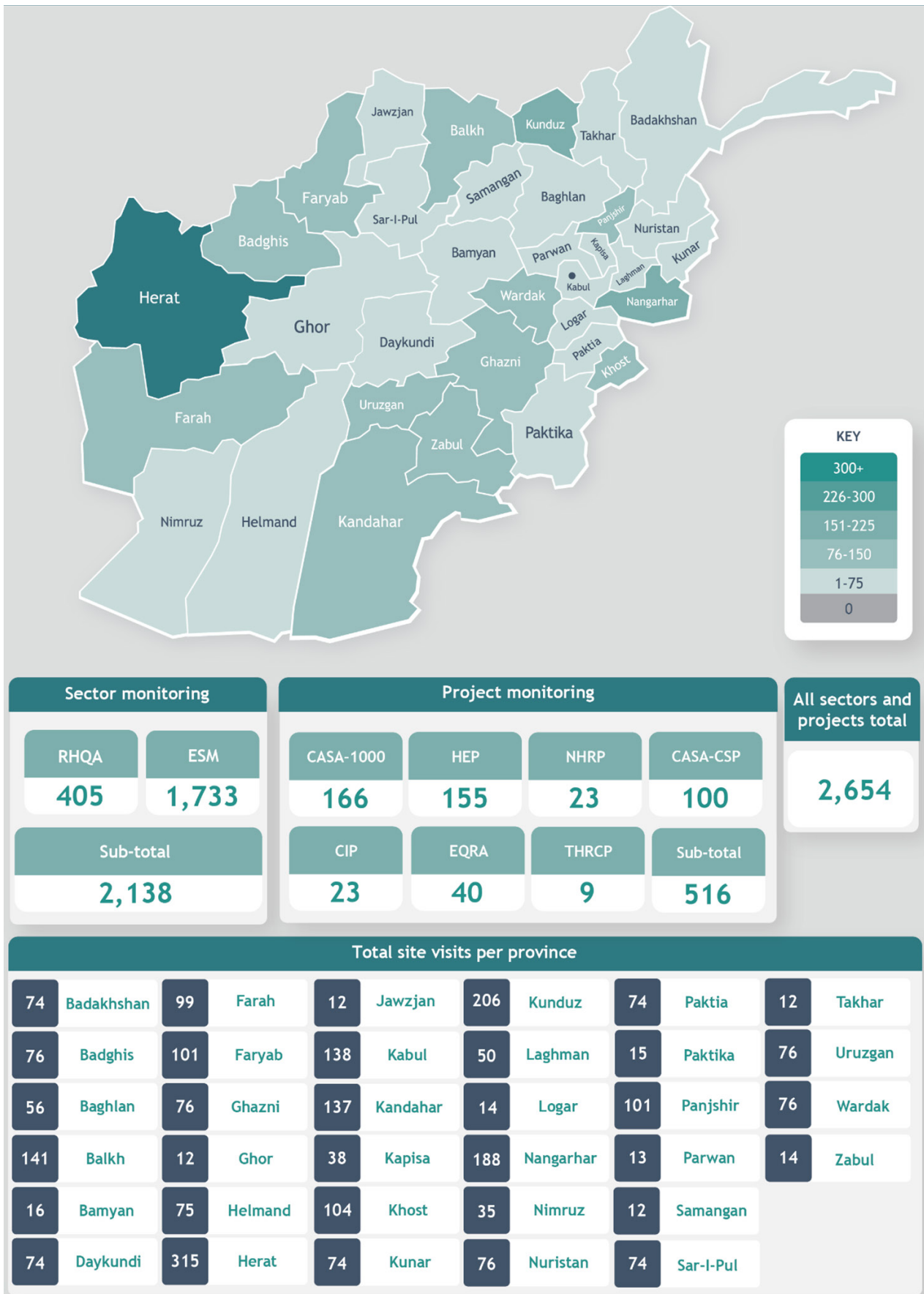


Figure 2: Monitoring Agent project and sector monitoring location visits in 2022



# 1. Introduction

In 2021, we supported the World Bank and other stakeholders as they navigated rapidly changing and increasingly challenging circumstances across the country. We continued doing this in 2022 as the situation evolved, but also leveraged our expertise and data to help the World Bank design and implement new programs to support the people of Afghanistan.

Findings from our economic and health sector monitoring were crucial to inform the design and implementation of five new projects approved by the Afghanistan Reconstruction Trust Fund (ARTF) Management Committee and the World Bank in 2022. These projects are intended to provide urgent and essential food, education, livelihoods, services, and non-governmental organization (NGO) capacity support. All five projects are being implemented through United Nations (UN) agencies and their partnerships with Service Providers (SPs).

## 1.1 Scope of our monitoring

This is the third year of the Monitoring Agent (MA) contract, combining physical monitoring of investment projects and financial monitoring for both recurrent costs and investment projects, designed to enhance the World Bank's supervision and oversight. Across this period, our portfolio of activities has changed and expanded considerably.

In 2020, our work focused on monitoring the Afghan government under the Republic's implementation of ARTF-funded projects with the aim of strengthening the government's internal processes and project implementation.

In 2021, we expanded our activities to include: monitoring for a number of emergency Covid-19 response programs; addressing information gaps in the economic sector, measuring prices and access to various food and non-food items and services, banking sector and labor market activities; and scaling up to review supporting financial documentation requirements that followed the pause in disbursements after the change in government in August 2021.

In 2022, we monitored projects implemented under the previous government to support physical verification of project completion, and to support project closure. In addition, we continued with sector monitoring and expanded its scope from economic sector monitoring to include health sector monitoring and to review government operations. Finally, we supported the UN's implementation of the new ARTF projects that began in 2022. These projects are the Emergency Food Security Project (EFSP), implemented by the FAO, the Community Resilience and Livelihoods Project (CRLP), implemented by the United Nations Office for Project Services (UNOPS), Education Emergency Response in Afghanistan (EERA) and Health Emergency Response (HER), both implemented by UNICEF, and the NGO/CSO Capacity Support Project (NCCSP), implemented by the United Nations Development Programme (UNDP). We supported these agencies in developing a third party monitoring (TPM) framework for each project. For CRLP, EERA, NCCSP, and the ESS components of HER, we will act as the sole third party monitor. For EFSP and HER, we will validate the findings of third party monitors hired by the UN agency.



## 1.2 Added value

During 2022, our monitoring teams comprised around 70 international and Afghan technical experts, researchers, and management staff, supplemented by around 500 full- and part-time in-country Afghan staff. The team employed a range of monitoring approaches designed to strengthen accountability for investment projects funded through the ARTF and the International Development Association (IDA).

In 2022, our financial monitoring team provided **fiscal assurance** for over USD 577 million of investment project expenditure. In 2022, we reviewed USD 48m, of which USD 39m of non-governmental SP invoices were certified for services provided before that date to confirm their eligibility for exceptional payments to be made by the World Bank. Since August 2021, we have reviewed USD 71.78m, of which USD 54.50m was certified. In total, we issued 96 Cover Letters certifying 81% of the amounts invoiced. Furthermore, we continued our review of Statements of Cash Receipts and Payments (SCRPs) to determine the validity and accuracy of the financial transactions and information reflected in the SCRPs. Documented payments amounted to USD 246.36 million, of which we reviewed 98%. We also completed Commitment Reviews for nine projects during the reporting period with claims of more than USD 6 million, against which we recommended documentation of USD 2 million. Finally, we started our review of project bank account activities from after August 2021 for 40 projects, amounting to USD 277 million.

Our in-person monitoring visits provided **value for money** in several ways. The infrastructure assessments conducted by our engineers at more than 500 sites helped the World Bank collect data for ICRs for four projects, providing critical information about project completion for three large infrastructure projects. Moreover, information about deviations that were or could become life-threatening helped inform and update the client's risk mitigation strategy in Afghanistan.

In addition, from September 2021 we began to work with various World Bank practice groups to design new sector monitoring activity, providing significant added value by **addressing information gaps** in key sectors. In 2022, we provided World Bank staff with insights into the current state of the Afghan economy and health sector, and government operations of the Interim Taliban Administration (ITA). We finalized our biannual report for economic sector monitoring in September 2022. For this activity, we continuously monitored 48 markets in 21 provinces on a weekly and then a monthly basis throughout 2022. To assess the health sector, we assessed 405 health facilities in all 34 provinces. In total, we made 2,138 location visits for both economic and health sector monitoring and conducted more than 109,000 interviews.

Information from sector monitoring location visits and interviews helped the World Bank and donors **sustain ARTF gains** by informing the design and project implementation of the five new UN agency-implemented projects approved in 2022. In the second half of the year, we undertook preparatory work to ensure we will be able to provide **an independent perspective on project performance** by developing TPM frameworks for each project. In doing so, we have worked with each UN partner to produce Terms of Reference (ToR) and a Monitoring Protocol identifying how and by whom various aspects of the projects are to be monitored, with a special focus on monitoring each project's Entry Criteria for Access (ECA) indicators and adherence to project-specific Environmental and Social Standards (ESS).

## 1.3 Adapting to challenges

Afghanistan remains a challenging place for program implementation and monitoring. Difficult terrain and poor roads, combined with inclement weather, constrain access to project sites and communities, while limited mobile phone ownership and internet connectivity. A lack of regular electricity supply, particularly in rural areas, makes it difficult to connect with community members for interviews or to upload data collected. We also face difficulties with accessing women for interviews, both in-person and over the phone.

Although widespread conflict abated following August 2021, sporadic conflict continues, especially in the northeast in and around Panjshir. Moreover, various insurgent groups across the country, including in the

communities where we worked, posed security and kidnapping threats to projects, community members, and our staff.

In response, we employ different strategies, including recruiting monitors from the districts where we work, which mitigates many accessibility issues. We invest considerable effort in building local networks to provide a strong understanding of changing dynamics and risks. We train monitors to share the challenges faced during data collection with our coordinators, rather than making on-the-spot decisions which might lead to increased risk. Where communities are inaccessible, whether due to local insecurity or weather conditions, we select a similar community from a back-up sample, retaining the inaccessible communities for visits as circumstances allow, or conducting phone-based interviews instead. For our phone-based interviews, we ensure a large enough sample of potential respondents to account for unanswered calls. On an ongoing basis, we seek to offset any data quality risks with a multi-layered data control and assurance process.

During 2022, our data collection teams encountered new challenges this year following the change in administration. We enable our female call center staff to work from home and budget for and provide a *mahram* for our female enumerators. In addition, location visit access became increasingly limited due to continuous developments in policies authorizing data collection. As a result, much effort was expended on coordination and relationship-building to obtain permissions needed to undertake our work. This required engagement with individual ministers and officials at lower levels, including in some cases provincial governors. This process now begins far in advance of actual data collection, and requires us to manage expectations around data collection timelines and the degree of coordination required.

Recognizing the additional effort required to obtain access for data collection, we now try to conduct as many interviews as we can during each visit. This is a principal reason why the number of interviews increased significantly in 2022 compared to previous years.

**Table 1: Monitoring Agent location visits and interviews in 2020, 2021, and 2022**

	2020	2021	2022
Location visits	4,041	6,642	2,654
Interviews <sup>1</sup>	20,632	44,737	109,578
Interviews/Location visits	5	7	41

Finally, while the Covid-19 pandemic did not pose any significant problems for data collection in 2022, we retained the following measures:

- Masks and sanitizer budgeted for and provided during training sessions
- Enumerators provided with instructions on maintaining social distancing
- Enumerators wearing masks during data collection.

## 1.4 Using this report

This report synthesizes the results of financial and physical monitoring from 1 January to 31 December 2022 to provide a comprehensive view of investment project performance. Our findings draw on an evidence base that includes thousands of financial and project documents and the hundreds of thousands of data points from in-person monitoring location visits, as well as in-person and phone interviews.

This report also captures how our focus has shifted from monitoring projects implemented by the government to providing assurance on funds spent, verifying physical assets, broader sectoral reporting to fill information gaps to support decision-making on future programming, and supporting UN agencies in

<sup>1</sup> The other reason why our interview count has increased is because the scope of our sector monitoring increased. In contrast to project monitoring, the nature of sector monitoring often required us to interview many respondents at the same location, such as a market or health facility.

developing monitoring frameworks for ARTF-funded projects.

We present aggregate findings in the main body of the report, with more detailed findings by activity and project in the annexes.

**Table 2: Description of contents**

<b>SECTION 1</b>	Overview of our activities, adaptation to new operating challenges, and a guide to using this report.
<b>SECTION 2</b>	A synopsis of financial monitoring activities and findings for investment project and sector monitoring organized by activity: project Statement of Expenditure reviews, identification of Questionable Transactions, validation of NGO invoices, review of Statements of Cash Receipts and Payments, Commitment Reviews, and review of projects' bank accounts. For each activity, a short statement summarizes the general finding, followed by a brief explanation of our approach and supporting evidence.
<b>SECTION 3</b>	Findings for the seven investment projects where we conducted physical monitoring, including infrastructure ratings, evidence of Good Practice and Extra Work, deviations and rectifications, the application of ESS, and gender. Since differences between projects make it difficult to aggregate findings, we summarize findings by project, highlighting commonalities where possible. Detailed findings for each of these areas by project can be found in Annexes 8-11.
<b>SECTION 4</b>	Findings for economic and health sector monitoring, with more details provided in Annexes 12-13.
<b>SECTION 5</b>	A summary of the work conducted for five new projects (CRLP, EFSP, EERA, HER, and NCCSP) approved in 2022.
<b>SECTION 6</b>	A summary of our adaptation to the emerging political and security context, new information needs and monitoring activities. An overview of planned monitoring activities for 2023.
<b>ANNEX 1</b>	An overview of the structure of our teams our objectives together with a detailed explanation of the methodologies employed across our monitoring activities, highlighting changes made in 2022.
<b>ANNEX 2</b>	Statement of Expenditure Cover Letters issued in 2022.
<b>ANNEX 3</b>	Status of Questionable Transactions at 31 December 2022.
<b>ANNEX 4</b>	Service Provider Invoice Cover Letters issued in 2022.
<b>ANNEX 5</b>	Facilitating Partner Invoice Cover Letters issued in 2022.
<b>ANNEX 6</b>	Statement of Cash Receipts and Payments Cover Letters issued in 2022.
<b>ANNEX 7</b>	ARTF project banking transactions.
<b>ANNEXES 8-10</b>	Individual findings from the three investment projects where we conducted physical monitoring in 2021: Central Asia-South Asia Electricity Transmission and Trade Project, Herat Electrification Project, and Naghlu Hydropower Rehabilitation Project.
<b>ANNEX 11</b>	Detailed findings from investment projects where we collected data to inform Implementation Completion and Results reports: Central Asia-South Asia - Community Support Project, Cities Investment Project, Education Quality Reform in Afghanistan project, and Trans-Hindukush Road Connectivity Project.
<b>ANNEX 12</b>	Methodology and detailed findings from economic sector monitoring.
<b>ANNEX 13</b>	Methodology and detailed findings from health sector monitoring (Rapid Health Quality Assessment).

## 2. Financial monitoring

In 2022, our Financial Monitoring team expanded its portfolio of fiduciary assurance activities. In total, we conducted five activities related to investment project monitoring:

1. Project Statement of Expenditure (SoE) reviews and identification of Questionable Transactions (QTs)
2. Validation of NGO invoices
3. Review of Statements of Cash Receipts and Payments (SCRPs)
4. Commitment Reviews (*new activity*)
5. Review of project bank accounts (*new activity*)

### 2.1 Project Statement of Expenditure reviews and Questionable Transactions

We continued to assist the World Bank in documenting project final expenditure incurred during the previous government, by reviewing project Statements of Expenditure (SoEs) to evaluate whether expenditure stated by projects in SoEs was reported in accordance with ARTF Grant or IDA Financing Agreements. This process was a supplemental control measure introduced by the World Bank uniquely in Afghanistan as one element of the ARTF Enhanced Fiduciary Control Framework.

For each SoE, we reviewed project procurement, payroll, and project implementation and management expenditure. We conducted sample-based substantive testing of transactions through multiple rounds of review, requests for documentation or follow-up clarifications, and identification and reporting of Questionable Transactions - financial errors impacting the expenditure reported. After each review, we submitted SoE Cover Letters outlining findings and their impact on the amounts claimed for documentation.

In 2022, we continued conducting project SoE reviews for the period up until August 15, 2021. (Since commencing this work on December 22, 2019, we have completed 239 SoEs cover letters for 38 investment projects). The results of our reviews are summarized in Table 3. In 2022 we issued 46 SoE Cover Letters for projects documenting expenditure amounting to USD 60.95 million and recommending USD 58.41 million for documentation in the Withdrawal Applications detailed in Annex 2.

**Table 3: Results of Statement of Expenditure reviews conducted from December 22, 2019 to September 30, 2022 with closed project reporting to August 15, 2021 (in USD)**

	ARTF	IDA	TOTAL FOR 2022	CUMULATIVE SINCE START OF MONITORING (DECEMBER 22, 2019)
Expenditure reported in SoEs	33,592,321	27,358,824	60,951,145	577,267,457 <sup>2</sup>
Adjustment for Questionable Transactions (net of reversals)	(2,368,578)	(170,396)	(2,538,974)	(21,515,573)
<b>Expenditure recommended for documentation</b>	<b>31,223,743</b>	<b>27,188,428</b>	<b>58,412,171</b>	<b>555,751,884</b>

Between December 2019 and the end of 2022, we identified USD 21.52 million in Questionable Transactions (QTs) during regular SoE reviews. Additional QTs amounting to USD 47,048 were identified during the Commitment Reviews of nine projects. Typically QTs arise from:

<sup>2</sup> This is a cumulative figure and includes amounts carried forward since the beginning of SoE reviews in 2019.

- Expenditure incurred by the project which are not in compliance with terms of Grant- or financing agreement
- Expenditure incurred by the project which are not in compliance with financial policies, applicable rules and regulations, or
- Expenditure incurred by the project which are not substantiated with adequate supporting documents.

Resolved QTs amounted to USD 13.88 million at the end of 2022, and outstanding QTs unresolved at December 31, 2022 amounted to USD 7.68 million, as detailed in Annex 3.

**Table 4: Status of unresolved Questionable Transactions at the end of 2022**

	USD
Cumulative adjustments for Questionable Transactions at August 15, 2021	21,515,573
Less: QTs resolved until August 15, 2021	(13,087,616)
<b>Outstanding QTs at August 15, 2021</b>	<b>8,427,957</b>
Additional QTs reported since August 15, 2021, from Commitment Reviews	47,048
QTs resolved since August 15, 2021	(793,878)
<b>Outstanding QTs at December 31, 2022</b>	<b>7,681,127</b>

## 2.2 Validation of NGO invoices

We reviewed, validated, and reconciled invoices submitted by non-governmental organizations (NGOs) acting as Service Providers (SPs) to the Covid-19 Emergency Response and Health Systems Preparedness Project (Covid-19 ERHSPP), and by the NGO Facilitating Partners (FPs) for the Citizens' Charter Afghanistan Project (CCAP), Relief Activities for Afghan Communities and Household Project (REACH), Women's Economic Empowerment Rural Development Project (WEE-RDP) and Eshteghal Zaiee - Karmondana (EZ-Kar). In 2021, we completed our review of invoices submitted by 22 Service Providers for the Sehatmandi project in 34 provinces amounting to USD 23.28 million and recommended payment against a claim amounting to USD 15.60 million, which represents 67% of the total invoiced amount reported in Annual Report 2021. Our objective was to confirm whether the amounts invoiced were accurate and, if not, to recommend a certified amount for payment. We conducted our reviews in accordance with procedures agreed with the World Bank and issued 96 Cover Letters certifying USD 38.90 million (81% of the amounts invoiced).

In all, we issued 60 invoice Cover Letters in 2022 for the CCAP, REACH, EZ-Kar, and WEE-RDP projects, and 36 Cover Letters under Covid-19 ERHSPP, certifying USD 38.90 million out of USD 47.98 million (81%) worth of invoices submitted for payment, as summarized below. See Annex 4 and Annex 5 for summary details (Full results from our reviews are provided as Excel files to the World Bank).

**Table 5: NGO invoice Cover Letters issued in 2022, by grant (in USD)**

GRANT <sup>3</sup>	INVOICED	CERTIFIED	% CERTIFIED
IDA	38,421,057	29,504,970	77%
ARTF	9,563,324	9,405,016	98%
Total	47,984,381	38,909,986	81%

**Table 6: NGO invoice Cover Letters issued in 2022, by project (in USD)**

PROJECT	INVOICED	CERTIFIED	% CERTIFIED
Covid-19 ERHSPP	22,470,165	17,430,571	79%
CCAP	12,647,314	12,254,116	97%

<sup>3</sup> Amounts invoiced in Afghani were converted to USD at the exchange rate of AFN 90 per USD.

PROJECT	INVOICED	CERTIFIED	% CERTIFIED
REACH	7,466,616	5,067,017	68%
EZ-Kar	1,181,265	909,109	77%
WEE-RDP	4,219,021	3,249,173	77%
Total	47,984,381	38,909,986	81%

We also reviewed and verified the banking details submitted by NGOs to assist the World Bank in ensuring that payments were only made to contracted NGOs.

## 2.3 Review of Statements of Cash Receipts and Payments

Based on procedures agreed with the World Bank, we continued our review of SCRPs, which form part of each project's financial statements for Afghan Financial Year (FY) 1399. The review's aim was to determine the validity and accuracy of financial transactions and information reflected in the SCRPs. SCRPs reviews for FY 1400 will begin in 2023. We completed reviews and submitted SCRPs Cover Letters, monitoring an average of 98% of payments made, detailed in Annex 6. The results of our review are summarized below.

**Table 7: Summary of Statement of Cash Receipts and Payments reviews in 2022 (USD)**

TOTAL PAYMENTS REPORTED IN THE SCRPs	TOTAL PAYMENTS REVIEWED BY MA	% OF TOTAL PAYMENTS	FINANCIAL FINDINGS	% OF TOTAL PAYMENTS
246,365,989	241,185,603	98%	934,177	0.38%

Documented payments amounted to USD 246.36 million. Our financial findings, amounting to USD 934,177 (0.38 percent of total payments) are summarized in the table below.

**Table 8: Findings from Statement of Cash Receipts and Payments reviews**

TYPE OF IS-SUE	PROJECT	AMOUNT (USD)	DESCRIPTION <sup>4</sup>
Cut-off error	CASA-1000	119,545	M16 No. 333 for USD 119,545 was reported in the FY 1399 SCRPs although, according to the Bank's Client Connection system, the transaction occurred on December 23, 2020.
Cut-off error	Kabul Municipal Development Program	765,219	USD 765,219 was reported in the FY 1399 SCRPs although, according to the Bank's Client Connection system, the transactions occurred after December 23, 2020.
Other ineligible cost	Higher Education Development Program	23,507	Difference in closing cash balance due to incorrect debit.
Expenditure not for project purpose	CIP	25,805	Total payments include a payment AFN 1,989,011 (equivalent to USD 25,805) made to Global Operations Construction Company for the construction of a street in Jalalabad. This, however, related to the EZ-Kar project, hence considered ineligible.
Expenditure claimed but activities not undertaken	Fiscal Performance Improvement Support Project	101	This relates to an advance of USD 21,129 made in respect of a training workshop for treasury staff in Dubai. The workshop was not held, however, and only USD 21,028 was refunded to the project.

<sup>4</sup> Additional details can be provided for each issue if needed.

The financial findings in the above table exclude Questionable Transactions arising from our SoE reviews reported in Section 2.2.

## 2.4 Commitment Reviews

In accordance with our Terms of Reference with the World Bank, we completed Commitment Reviews for nine projects during the reporting period. The overall objective of the review was to determine whether the project’s commitments were for the intended purposes and eligible for financing in accordance with the Grant Agreement, and to report on the status of the project’s advances and Designated Account (DA) activities after August 15, 2021.

Our Commitment Reviews are in respect of project commitments in the form of expenditure incurred before August 15, 2021, but not paid for. We report on whether projects’ commitments were for the intended purposes and eligible for financing in accordance with the ARTF Grant and IDA Financing Agreements, and on the status of the projects’ advances and DA activities after August 15, 2021. We also determined each project’s final outstanding advances and any Questionable Transactions, identifying payments made after August 15, 2021, if any, and we reconciled the project DA at Da Afghanistan Bank (DAB) with the outstanding advances to identify any unaccounted-for funds and unreconciled items. The results of our review are summarized in Table 7.

Commitments totalling USD 4,416,250 and AFN 174,402,155 for nine projects were claimed, against which we recommended USD 1,442,614 (33%) and AFN 49,340,322 (28%) for documentation.

**Table 9: Summary of project Commitment Reviews in 2022 (in USD and AFN)**

PROJECT	COMMITMENTS CLAIMED		COMMITMENTS RECOMMENDED FOR DOCUMENTATION	
	USD	AFN	USD	AFN
Afghanistan Gas Project	2,044,089	7,261,468	631,272	2,790,906
Afghanistan Land Administration System Project	13,371	24,929,780	-	8,945,490
Covid-19 Emergency Response and Health Systems Preparedness Project (ERHSPP)	522,693	2,092,862	-	-
Education Quality Reform in Afghanistan (EQRA)	340,570	14,713,490	43,782	-
Payments Automation and Integration of Salaries in Afghanistan	-	125,155	-	-
Payments Automation and Integration of Salaries in Afghanistan	610,843	-	193,381	-
Public Private Partnership and Public Investment Advisory Project	626,694	1,742,202	347,505	-
Sehatmandi	-	54,935,183	-	34,178,166
Tackling Afghanistan’s Government HRM and Institutional Reforms Project	257,990	68,602,015	226,674	3,425,760
<b>Total</b>	<b>4,416,250</b>	<b>174,402,155</b>	<b>1,442,614</b>	<b>49,340,322</b>

## 2.5 Review of project bank accounts since August 15, 2021

The World Bank asked us to review transactions recorded in project bank accounts since August 15, 2021. The bank accounts comprise projects' DAs (denominated in USD), Clearing Accounts (CAs, denominated in AFN), and the NHLP Farmers' Contribution Account (FCA, denominated in AFN). See Annex 7 for further details. The CA balance mainly represents AFN-denominated balances held for CCAP, Covid-19 REACH, EATS, and EQRA.

Banking credits (deposits) since August 15, 2021, primarily comprised refunds of unutilized petty cash and operational advances to the project bank accounts.



# 3. Project monitoring

In 2022, we monitored seven projects implemented by the previous Afghan government under the Republic pre-August 2021. Three were monitored to assess project completion:

- Central Asia-South Asia Electricity Transmission and Trade Project (CASA-1000)
- Herat Electrification Project (HEP)
- Naghlu Hydropower Rehabilitation Project (NHRP).

Specific findings for each of these are shown in Annexes 8-10 respectively. Our engineers monitored these projects to review:

- Aspects of construction
- Adherence to ESS
- Documentation relating to construction, procurement, and ESS.

See Annex 1 for details about the methodology used for this task.

We monitored four other projects in 2022 for Implementation Completion and Results (ICR) reports, used by the World Bank in their project closure process. We carried out ICR monitoring for the following:

- Central Asia-South Asia Community Support Program (CASA CSP)
- Cities Investment Program (CIP)
- EQRA
- Trans-Hindukush Road Connectivity Project (THRCP).

Monitoring for EQRA and THRCP was similar to that used for CASA-1000, HEP and NHRP. Monitoring for CASA CSP and CIP focused on specific areas about which World Bank teams required information. See Annex 11 for findings about the four projects for which we conducted ICR monitoring.

Figure 3: Project monitoring summary infographic

Investment projects monitored in 2022									
Central Asia South Asia Electricity Transmission and Trade Project (CASA-1000)				Central Asia South Asia Community Support Programme (CASA-CSP)					
<b>Project summary</b>	CASA-1000 is a renewable energy infrastructure construction project that aimed to provide surplus electricity from Tajikistan and Kyrgyzstan to high-demand electricity markets in Afghanistan and Pakistan.			<b>Project summary</b>	Assisted communities within a 4 km corridor along the transmission line being constructed as part of the CASA-1000 Project in alignment with CCAP. In communities where CCAP and CASA-CSP overlapped, sub-project activities focused on building support for the transmission line.				
<b>Monitoring activities</b>	Standard project monitoring by our engineers, including monitoring of project status, quality of construction, condition of project assets, and adherence to ESS including land acquisition.			<b>Monitoring activities</b>	ICR project monitoring using tailored infrastructure and social tools administered by our engineers.				
<b>Implementer</b>	Inter-Governmental Council with representatives from Afghanistan, the Kyrgyz Republic, Pakistan, and Tajikistan		<b>Status</b>	Active	<b>Implementer</b>	Ministry of Rural Rehabilitation and Development (MRRD) & Independent Directorate of Local Governance (IDLG)		<b>Status</b>	Closed in 2022
<b>Total site visits</b>	<b>Sub-projects visited</b>		<b>Provinces visited</b>	<b>Districts visited</b>	<b>Total site visits</b>	<b>Sub-projects visited</b>		<b>Provinces visited</b>	<b>Districts visited</b>
166	N/A		7	26	100	100		7	18

Cities Investment Project (CIP)				EQRA			
Project summary	Invested in development and livelihoods of major cities in Herat, Jalalabad, Kandahar, Khost, and Mazar-I-Sharif.			Project summary	Built and rehabilitated primary and secondary schools, mostly in rural communities.		
Monitoring activities	ICR project monitoring using a tailored infrastructure tool that paid special attention to land acquisition. A separate tool was used for verifying the number of beneficiaries per sub-project. Both tools were administered by our engineers.			Monitoring activities	ICR project monitoring by our engineers using a standard infrastructure monitoring tool. Monitoring included project status, construction quality, condition of project assets, and adherence to ESS including disaster risk reduction.		
Implementer	IDLG	Status	Closed in 2022	Implementer	MRRD & Ministry of Education (MoE)	Status	Closed in 2022
Total site visits	Sub-projects visited	Provinces visited	Districts visited	Total site visits	Sub-projects visited	Provinces visited	Districts visited
23	73	5	5	40	40	17	33
Herat Electrification Project (HEP)				Naghlu Hydropower Rehabilitation Project (NHRP)			
Project summary	Aimed to provide access to electricity to households, institutions, and businesses in Chisht-E-Sharif, Obe, Karrukh, and Pashtun Zarghun districts in Herat province, through building a new transmission line with four substations, piloting a solar mini-grid, and providing technical assistance to the implementing entity, Da Afghanistan Breshna Sherkat (DABS).			Project summary	Improves dam safety and increases the supply of electricity at the Naghlu Hydropower Plant through rehabilitation and maintenance of powerhouse units, dam safety audits and safety improvement measures, and optimization of power generation. In addition, the project seeks to improve the livelihoods of communities surrounding the Naghlu dam by providing them with electricity.		
Monitoring activities	Standard project monitoring by our engineers, including monitoring of project status, quality of construction, condition of project assets, and adherence to ESS including checks for potential safety hazards.			Monitoring activities	Standard project monitoring by our engineers, including monitoring of project status, quality of construction, condition of project assets, and adherence to ESS including through measurement of sediment build-up in dam reservoir and flushing tunnel.		
Implementer	DABS	Status	Completed but not operational (as per most recent site visit on June 8, 2022)	Implementer	DABS	Status	Active (as per most recent site visit on 3 April 2022)
Total site visits	Sub-projects visited	Provinces visited	Districts visited	Total site visits	Sub-projects visited	Provinces visited	Districts visited
155	N/A	1	12	23	N/A	1	1
Trans-Hindukush Road Connectivity Project (THRCP)							
Project summary	Funded upgrades and improvements to the Bamyan to Baghlan Road, as well as rehabilitation and maintenance for the Salang Highway.						
Monitoring activities	ICR project monitoring using a standard infrastructure monitoring tool that was administered by our engineers. Monitoring included project status, construction quality, condition of project assets, and adherence to ESS.						
Implementer	Ministry of Public Works (MoPW)	Status	Closed in 2022				
Total site visits	Road/tunnel segments visited	Provinces visited	Districts visited				
9	5	3	3				

### 3.1 Scoring project infrastructure

The system we use for rating project infrastructure components was initially based on that used by the pre-2020 Supervisory Agent, since expanded to account for the number and range of deviations identified at each sub-project, with scores applied to the following aspects: design, materials used, workmanship, and Operations and Maintenance (O&M). Individual sub-project scores are then aggregated to produce a project rating. Annex 1 details our scoring methodology and provides descriptions of deviation classifications.

In 2022, ratings were not available for two projects (CASA CSP and CIP) because our ICR monitoring did not require this type of information to be collected. For the other five projects, the average aspect score for three projects was 4.1 or above, which equates to ‘Good’ and 3.8 and 3.9 for two more, which equates to ‘Average’. However, **three of the five projects were rated ‘Poor’, and one ‘Below Average’** when the number and severity of deviations was then taken into account. See Section 3.3 and Annex 1 for details.

**Table 10: Monitoring Agent 2022 project ratings**

PROJECT	AVERAGE ASPECT SCORE	RATING
CASA-1000	4.4	Below Average
CASA CSP	N/A	N/A
CIP	N/A	N/A
EQRA	4.1	Poor
HEP	4.1	Poor
NHRP	3.8	Poor
THRCP	3.9	Good

### 3.2 Good Practice and Extra Works

During each location visit, our engineers identified instances where the implementer had exceeded contract specifications, resulting in improved standards and functionality without additional time or budget requirements. In this we differentiate between ‘Good Practice’, where elements of planned work were done to a very high standard, and ‘Extra Works’, where communities were able to support additional features from their own resources, such as installing solar panels. **We identified instances of Good Practice and Extra Works in three out of five projects** where we sought this information (it was not required for CASA CSP and CIP ICR monitoring).

**Table 11: Instances of Good Practice and Extra Works identified in 2022**

PROJECT	INSTANCES OF GOOD PRACTICE	INSTANCES OF EXTRA WORKS	TOTAL	DETAILS
CASA-1000	1,027	0	1,027	Most cases of Good Practice were identified in various elements of the transmission towers (48%, n=491), including workmanship and fitting, size and shape, and materials. Tower foundations produced the next highest number of Good Practice examples (23%, n=241), in elements such as type of foundation, excavation, backfilling, and size and shape. We did not identify any instances of Extra Works for CASA-1000.

PROJECT	INSTANCES OF GOOD PRACTICE	INSTANCES OF EXTRA WORKS	TOTAL	DETAILS
EQRA	20	4	24	Instances of Extra Works were found in four sub-projects in Paktika (one) and Khost (three), all managed by Community Development Councils (CDCs). These included constructing a water tank for an otherwise defective toilet, a drainage canal at the rear of a school building to prevent water coming downhill from reaching the school, and a protection wall on the upper part of the school adjacent to a mountainside. The 20 examples of Good Practice came from two schools: six from a school in Khost, and 14 from a school in Kunduz.
HEP	0	0	0	We did not identify any instances of Good Practice or Extra Works for HEP.
NHRP	1	7	8	At the Naghlu Dam, our engineers identified one example of Good Practice where the sub-station had a dedicated area for a future additional transformer. During their visits to adjacent villages, our engineers identified seven examples of Extra Works, four of them in Momin Khan and Serinai Clay (Masjid Umer Faroq). These included, for example, a community member erecting a power pole with Da Afghanistan Breshna Sherkat (DABS) adding and connecting the attached power line.
THRCP	0	0	0	We did not identify any instances of Good Practice or Extra Works for THRCP.
Total	1,048	11	1,059	

### 3.3 Deviations

Deviations from technical specifications comprised 1.7% of all observations made by our engineers, half the corresponding figure for 2021. At each construction site visited, our engineers assessed infrastructure progress and work quality, making over 26,000 observations from a checklist typically extending to some 250 infrastructure questions for each site. Observations were backed up by photographic evidence of site conditions, works undertaken and documentation. From their observations, engineers identified 449 deviations, usually in the form of unauthorized changes from the design or technical specifications, use of low-quality materials, or poor workmanship. We classified these deviations by the level of severity and impact (see Text Box 1) and categorized them in terms of design, materials, and workmanship. For completed projects, we also included observations relating to the quality or application of any O&M Plan.

#### Box 1: How we classify deviations

**CRITICAL:** A deviation which, if not rectified, could lead to the injury or death of a worker or future user, or could lead to the failure of the sub-project as a whole.

**MAJOR:** A deviation that is not life-threatening but affects the structural integrity or overall sustainability of the sub-project.

**MINOR:** Often cosmetic, this type of deviation does not affect a sub-project’s structural integrity, usability, or sustainability. Minor deviations can often be corrected with little effort and at limited cost.

**NOTIFICATION:** A new category introduced in late 2020 to help Project Implementation Units prioritize resources towards rectifying the most serious deviations. These are Minor deviations that would cost USD 50 or less to rectify.

Annex 1 provides further information about how we classify deviations in relation to infrastructure and compliance issues.

Table 12: Deviations identified in 2022

PROJECT	OBSERVATIONS	CRITICAL	MAJOR	MINOR	TOTAL DEVIATIONS	DEVIATIONS AS % OF TOTAL OBSERVATIONS
CASA-1000	4,767	1	11	76	88	1.8%
CASA CSP	N/A	N/A	N/A	N/A	N/A	N/A
CIP	N/A	N/A	N/A	N/A	N/A	N/A
EQRA	1,359	3	16	36	55	4.0%
HEP	19,938	71	39	140	250	1.3%
NHRP	530	18	17	20	55	10.4%
THRCP	22	0	1	0	1	4.5%
<b>Total</b>	<b>26,616</b>	<b>93</b>	<b>84</b>	<b>272</b>	<b>449</b>	<b>1.7%</b>

During their visits, engineers made on-site estimates of the cost of rectifying each deviation. These estimates were not market surveys of labor and materials but were based on the engineers' professional expertise and knowledge of the Afghan market. **As in 2020 and 2021, the total estimated cost of rectifying deviations in 2022 comprised less than 1% of the total budget for the projects visited by our engineers.** However, it should be noted that these estimates only reflect the cost of rectifying deviations in those sites we visited, which themselves represent what is sometimes a limited proportion of all project sites.

Table 13: Estimated costs of rectification of deviations identified in 2022

PROJECT	TOTAL CONTRACT VALUE MONITORED (USD)	TOTAL AMOUNT OF ESTIMATED COSTS OF RECTIFICATION (USD)	% OF TOTAL CONTRACT VALUE MONITORED
CASA-1000	233,793,417	12,655	0.0%
CASA CSP	1,979,480	N/A	N/A
CIP	78,763,421	N/A	N/A
EQRA	3,181,622	25,070	0.8%
HEP	20,000,000 <sup>5</sup>	80,531	0.4%
NHRP	83,000,000	3,726,100 <sup>6</sup>	4.5%
THRCP	97,018,976	600	0.0%
<b>Total</b>	<b>517,836,916</b>	<b>3,844,956</b>	<b>0.9%<sup>7</sup></b>

Under the former government, we worked closely with ministry Project Implementation Units (PIUs) to rectify deviations identified. We uploaded deviations to an online Digital Platform and assigned each deviation to nominated ministry focal points to review and assigned to district engineers, with responsibility for resolving the deviation at the sub-project site. As rectifications were made, we undertook repeat visits to a proportion of locations to confirm work done. This process was suspended in September 2021 as there were no longer PIUs to interact with so that none of the deviations we identified in 2022 or earlier were reported to us as rectified. However, all the relevant data remain on the Digital Platform to enable the process to be resumed as and when needed.

When analyzing deviations by aspect, the large proportion of deviations related to O&M is skewed by the high number of deviations identified for HEP, where many sub-projects had been completed (unlike other projects), so that O&M reporting was undertaken. Excluding HEP, project management is the most common aspect for which deviations were identified. The identification of deviations relating to project management and O&M can be attributed in large part to the suspension of project work from August 2021.

5 Total project costs are USD 60 million but the budget for Component 1, relating to the electrification of four districts in Herat province, is USD 20 million.

6 These costs are largely attributed to dam safety issues

7 For the calculation of this proportion, we did not consider the contract value monitored for CASA CSP and CIP because we did not seek to identify any deviations during the monitoring conducted for these projects.

Figure 4: Deviations identified in 2022, by project and aspect

Project	Deviation/ Classification	Aspects:						
		Design	Project Management	Materials	Workmanship	Environmental Standards	Social Standards	O&M
CASA-1000	Critical	0	1	0	0	0	0	0
	Major	0	3	6	1	0	1	0
	Minor	0	8	37	30	0	1	0
EQRA	Critical	0	0	0	3	0	0	0
	Major	3	6	4	1	1	0	1
	Minor	0	21	8	5	0	2	0
HEP	Critical	3	13	5	11	0	1	38
	Major	2	7	3	3	0	0	23
	Minor	0	15	4	11	0	2	108
NHRP	Critical	0	4	0	0	1	11	2
	Major	0	4	4	2	1	0	6
	Minor	0	5	6	3	0	0	6
THRCP	Critical	0	0	0	0	0	0	0
	Major	1	0	0	0	0	0	0
	Minor	0	0	0	0	0	0	0
Total:	Critical	3	16	5	14	1	14	40
	Major	6	21	17	7	2	1	29
	Minor	0	49	56	49	0	6	112
	All	9	86	78	70	3	21	181

### 3.4 Main findings related to Environmental and Social Standards

#### 3.4.1 No major negative environmental impacts were found for most projects

In 2022, we collected information on environmental standards for CASA CSP,<sup>8</sup> CASA-1000, and HEP (it was not required for the ICR monitoring of CIP, EQRA, and THRCP).

Our most common negative environmental finding monitored related to the number of trees cut down and not replaced (see Table 16). In total, we found that trees had been cut down at 6% (n=23) of the sub-project sites visited, where an estimated 506 trees had been cut down, but 204 replacement seedlings planted at only five locations. At two further sites, replanting was planned but had not yet taken place, while there were no replanting plans at any of the remaining locations where trees had been cut. The reason for this was that contractors tended to report that they were not contractually required to replant trees.

<sup>8</sup> All the CASA CSP information in this section is based on information collected using an infrastructure tool applicable to 53 sub-projects.

**Table 14: Information about trees cut down for construction of ARTF investment project activities**

PROJECT	SUB-PROJECTS/SITES WITH TREES CUT DOWN	TREES CUT DOWN	SEEDLINGS PLANTED	ARE SEEDLINGS PLANNED FOR?
CASA-1000	14/166 (8%)	21	0	None of the 14 sites <sup>9</sup>
CASA CSP	9/53 (17%)	485	204 in five sub-projects	In two of four remaining sub-projects <sup>10</sup>
HEP	0/155 (0%)	N/A	N/A	N/A
<b>Total</b>	<b>32/374 (6%)</b>	<b>506</b>	<b>204 in five sub-projects/sites</b>	<b>In two of 18 remaining sub-projects/sites</b>

None of the HEP sites or CASA CSP sub-projects we visited required a quarry for construction materials. For CASA-1000, our engineers identified quarries were in place at 12 of the 166 sites visited, but none had a significant impact on the environment. For HEP, our engineers also reported that the transportation of construction materials had not caused any significant damage to the environment. For CASA CSP, land degradation had occurred at three out of 53 sub-projects, but that any damage had already been addressed. Finally, for CASA-1000, our engineers heard reports of the transportation of construction materials resulting in crop damage at two sites, but it was not clear whether the farmers affected had received compensation.

ESS focal points were in place at all the CASA-1000 locations visited, and at 60% of CASA CSP locations (32 out of 53 sub-project sites). This information was not available for HEP.

For CASA CSP, our engineers confirmed that 43 out of 53 sub-projects had taken water from a river or *kariz* for construction. There was no identified risk of contaminating nearby drinking water sources from any of the 53 sub-projects. The engineers monitoring HEP reported that there had been no reduction in soil groundwater or degradation of groundwater, streams, or rivers from solid or liquid waste from project activity. We did not monitor this element for CASA-1000.

For HEP, our engineers did not find any means of collecting or storing hazardous and non-hazardous waste at the substations and capacitor bank. The contractor explained that this had not been included in the Bill of Quantity or their contract. However, our engineers confirmed that no hazardous materials such as asbestos, mercury light bulbs or switches, tanks with chemical or fuel residues, chlorofluorocarbon refrigerant coolants, lead-based paint, polychlorinated biphenyls, or radioactive substances, had been disposed of at the capacitor bank or the substations.

Our engineers did not report any significant negative environmental impacts from any of the locations visited for CASA CSP, CASA-1000, or HEP.

<sup>9</sup> Contractors reported that replanting of trees was not included in their contract.

<sup>10</sup> There were no plans to replant trees in two sub-projects because there was no space to do so.

## Box 2: Environmental safeguards monitoring for NHRP

We collected environmental impact information for NHRP, but it differed from our regular ESS monitoring given the unique nature of the project. Our engineers found that an Egyptian company named EcoConServ Environmental Solutions had conducted an Environmental and Social Impact Assessment more than a year before their visit. The main finding of this assessment related to the increasing amount of sediment in the reservoir. The report highlighted the potential health or environmental risks that could be caused depending on the type of materials accumulated in the sediment.

The NHRP team told our engineers that the results of a subsequent sediment sample taken from the top surface of the reservoir and sent to a lab in India for testing indicated that the sediment contained heavy metal and unexploded ordnances. As a result, it was not possible to flush the sediment through the flushing tunnel to the downstream area. The NHRP team had subsequently signed a contract with EcoConServ Environmental Solutions to retrieve a sample from the bottom of the sediment for retesting. However, although this company had reportedly come to the site and installed machines to gather samples from the sediment, they had not been successful in doing so, and the contract had been cancelled without payment.

No bathymetric surveys have been conducted recently due to human and technological resource constraints. However, based on sediment measurements from the front of the intakes, the NHRP team estimated that the sediment in the dam reservoir currently covers 227 million cubic meters, decreasing the dam reservoir’s capacity to a maximum of 323 million cubic meters of water and significantly reducing the amount of electricity the Naghlu dam can produce. Our engineers estimated that the costs of removing the hazardous sediment in the dam reservoir in a safe manner would amount to USD 3.5 million.

All this information was submitted in a NHRP project report in May 2022 to the NHRP project team of the World Bank.

### 3.4.2 Most projects are not at risk of natural disaster

Although we did not collect data related to disaster risk management for CIP or THRCP, information from other projects indicated that 8% of sub-project locations visited were vulnerable to natural disasters, mostly from flooding. While our engineers noted that mitigating measures were needed in just over two-thirds of sub-project sites vulnerable to natural disasters, such measures had been implemented in just under a third of them (30%). With the exception of two HEP project sites, in all cases, the reason for the absence of appropriate mitigation measures was that these were not included in the sub-project design and proposal and/or included in the contract.

Table 15: Information related to disaster risk management for ARTF investment projects

PROJECT	SUB-PROJECT/SITE LO-CATED IN AN AREA VULNERABLE TO NATURAL DISASTER	TYPE OF NATURAL DISASTER TO WHICH SUB-PROJECT/SITE IS VULNERABLE	MITIGATIVE ACTION REQUIRED	MITIGATION MEASURES IMPLEMENTED <sup>11</sup>
CASA-1000	2/166 (1%)	Flooding (1) landslides (1)	2/2 (100%)	0/2 (0%)
CASA CSP <sup>12</sup>	14/53 (26%)	Flooding (14)	3/14 (21%)	1/3 (33%)
CIP	N/A	N/A	N/A	N/A
EQRA	3/40 (8%)	Landslides (3)	3/3 (100%)	0/3 (0%)
HEP	13/155 (8%)	Flooding (6) strong winds (7)	13/13 (100%)	6/13 (46%)
NHRP <sup>13</sup>	2/18 (11%)	Flooding (2)	2/2 (100%)	0/2 (0%)
THRCP	N/A	N/A	N/A	N/A
<b>Total</b>	<b>34/432 (8%)</b>	<b>Flooding (23), landslides (4) strong winds (7)</b>	<b>23/34 (68%)</b>	<b>7/23 (30%)</b>

11 With the exception of two HEP sites, in all cases the reason why mitigation measures have not been implemented is because these were not included in the sub-project design and proposal and/or included in the contractor’s contract.

12 This information only relates to 53 CASA CSP sub-projects where engineers used the infrastructure tool.

13 We made 23 visits in total for NHRP: five to the Naghlu Dam, 18 to adjacent villages. We only collected this information during visits to the villages.



### 3.4.3 Mixed findings related to workers’ safety and complaints mechanisms

For on-site workers’ safety, we only have information from CASA-1000 and NHRP (other sub-projects had either been completed, temporarily stopped, or cancelled, so that this indicator could not be measured). For NHRP, work was ongoing at two villages adjacent to the Naghlu Dam, at neither of which had workers received environmental, health and safety, or First Aid training. No First Aid kit was available at either site and nor were workers wearing personal protective equipment (PPE). No toolbox meetings had been held recently for workers and neither of the two sites had an incident mechanism for reporting injuries.

For CASA-1000, there was adequate communication with workers at all of the 166 sites we visited, where workers had received environmental, health and safety, and First Aid training. Toolbox meetings had been held for workers at 38 out of 166 sites in the previous week, and at the remaining 128 sites over the previous month. A First Aid kit was available at half (83) of all sites visited, and an incident reporting mechanism for injuries at 82 project sites. There were no reports of injuries having occurred during the year at any of the sites where an incident reporting mechanism was in place.

Information related to complaints mechanisms was available for two projects: CASA CSP and CASA-1000. No complaints mechanisms were found for any of the CASA-1000 locations, while for CASA CSP a mechanism was available at 16 out of 53 sub-projects (30%) where the engineers had collected data. None of the CASA-1000’s 166 project sites had a formal group or committee to deal with complaints, compared to almost two-thirds of CASA CSP sub-projects (n=33, 62%). Of these, nine kept a complaints logbook, while a committee handled complaints directly at the other 24 locations.

### 3.4.4 Public land constituted half of land acquired for three projects

Land acquisition information was obtained for CASA-1000, CIP, and HEP, where almost all sub-projects for all three projects had required the acquisition of land. More than half of all land acquired was public, a quarter a mix of public and private land, and one-fifth private. We found land acquisition documentation available on site for more than three-quarters of all locations visited for CASA-1000.

**Table 16: Information related to land acquisition for ARTF investment projects**

PROJECT	CASES IN WHICH LAND WAS ACQUIRED	SOURCE OF LAND	LAND ACQUISITION DOCUMENTATION AVAILABLE
CASA-1000	166/166 (100%)	Public: 116/166 (70%) Private: 50/166 (30%)	127/166 (77%)
CIP <sup>14</sup>	1/3 (33%)	Private: 1/1 (100%)	Not asked for
HEP <sup>15</sup>	145 <sup>16</sup> /145 (100%)	Public: 59/145 (41%) Private: 15/145 (10%) A mix of public and private: 70/145 (48%) Unclear: 1/145 (1%)	Not applicable (see Footnote 12)
<b>Total</b>	<b>312/314 (99%)</b>	<b>Public: 175/312 (56%)</b> <b>Private: 66/312 (21%)</b> <b>A mix of public and private: 70/312 (23%)</b> <b>Unclear: 1/312 (0%)</b>	<b>127/166 (77%)</b>

14 While we monitored 73 sub-projects for CIP, the World Bank only requested us to ask questions related to land acquisition for three of these.

15 Questions related to land acquisition were not applicable for the 10 HEP location visits related to the solar panel component.

16 As per the HEP regional office manager’s statement, DABS has no policy for land acquisition for public utility projects, and no land acquisition takes place for these sub-projects. In other words, although DABS uses land for placing its transmission towers, it does not officially acquire this land.

We found that land acquisition across the three projects for which information was available affected 572 households and seven businesses in 132 sub-projects or sites visited. Almost all households and businesses were affected by some loss of land or premises. For HEP and CIP, no compensation was required because all the land had been donated. For CASA-1000, compensation was required but payments had been delayed in the wake of the change of government.

**Table 17: Information related to the impact of land acquisition for ARTF investment projects**

PROJECT	SUB-PROJECTS WITH AFFECTED HOUSEHOLDS OR BUSINESSES	HOUSEHOLDS OR BUSINESSES AFFECTED	HOW HOUSEHOLDS OR BUSI-NESES WERE AFFECTED	COMPENSATION PAID?
CASA-1000	Households: 55/166 (33%) None: 111/166 (67%)	117 households	Loss of some land: 50/55 (91%) Loss of all land: 4/55 (7%) Loss of some land and loss of housing: 1/55 (2%)	No: 54/55 <sup>17</sup> (98%)
CIP	Households and businesses: 1/1 (100%)	30 households and 7 businesses	Loss of some land or premises: 1/1 (100%)	Not applicable because land was donated: 1/55 (2%)
HEP	Households: 76/145 (52%) None: 69/166 (48%)	425 households	Loss of some land: 75/76 (99%) Loss of all land: 1/76 (1%).	Not applicable because land was donated: 1/1 (100%)
<b>Total</b>	<b>Households: 131/312 (42%)</b> <b>Households and businesses: 1/312 (0%)</b> <b>None: 180/312 (58%)</b>	<b>572 households and 7 businesses</b>	<b>Loss of some land: 125/132 (94%)</b> <b>Loss of all land: 5/132 (4%)</b> <b>Loss of some land and loss of housing: 1/132 (1%)</b> <b>Loss of some land or premises: 1/132 (1%)</b>	<b>Not applicable because land was donated: 76/76 (100%)</b>

### 3.4.5 No security incidents were found affecting any monitored projects in 2022

For all projects except CIP, our engineers asked if there were landmines located within 1 kilometer of the sub-project or site, and if any other security incidents had affected the project. There were no reports of landmines near any of the 493 locations visited for all projects (excluding CIP).

In terms of other security incidents, our engineers reported incidents at 10 sites (2%) relating to three projects: CASA-1000, EQRA, and HEP. All had occurred before August 2021.

For CASA-1000, our engineers discovered that on September 15, 2020, in Lot 2, two supervisors were shot in an incident in the Deh Salah district of Baghlan province. One of the supervisors made a full recovery in hospital, but the other supervisor died.

### 3.4.6 Limited information was available on gender equality and women’s empowerment

We had few findings related to gender from our project monitoring in 2022, principally because:

1. We mainly monitor gender-related aspects for community livelihood projects, but the majority of the projects we monitored in 2022 involved large-scale infrastructure.

<sup>17</sup> As per the statement of the subcontractor and community members interviewed, affected households had not received compensation because it was delayed due to the change in government in August 2021.

2. It has proven more difficult for our enumerators to interview women, particularly during monitoring large-scale infrastructure projects, which is conducted by male engineers.
3. Most women that previously occupied an official position related to the projects no longer do so, making it difficult to find female stakeholders.

In this context, we only have a few gender-related findings to report based on our monitoring for CASA CSP and EQRA. For CASA CSP, of the 100 sub-projects monitored, 80% (n=80) reported that their CDC had an average of two female CDC office bearers or sub-committee members. In addition, for 24 out of 100 sub-projects monitored where the CCAP Form 2 document was available for verification, all confirmed that the CDC had at least one female CDC office bearer or sub-committee member. All 33 CASA CSP sub-projects with a formal group or committee to deal with complaints had at least one female member on that committee.

For EQRA, the only gender-related results available related to the availability of separate latrines for female teachers and girl students in school where they worked or attended. There were none for female teachers in any of the ten applicable schools monitored, and only one for girl students out of 16 applicable schools.

**Table 18: Information about separate latrines for female teachers**

GENDER OF TEACHERS AT SCHOOLS MONITORED	SCHOOLS	SCHOOLS WITH SEPARATE LATRINES FOR MALE AND FEMALE TEACHERS
Only male teachers	28 (70%)	N/A
Only female teachers	2 (5%)	N/A
Both male and female teachers	10 (25%)	0 out of 10 (0%)

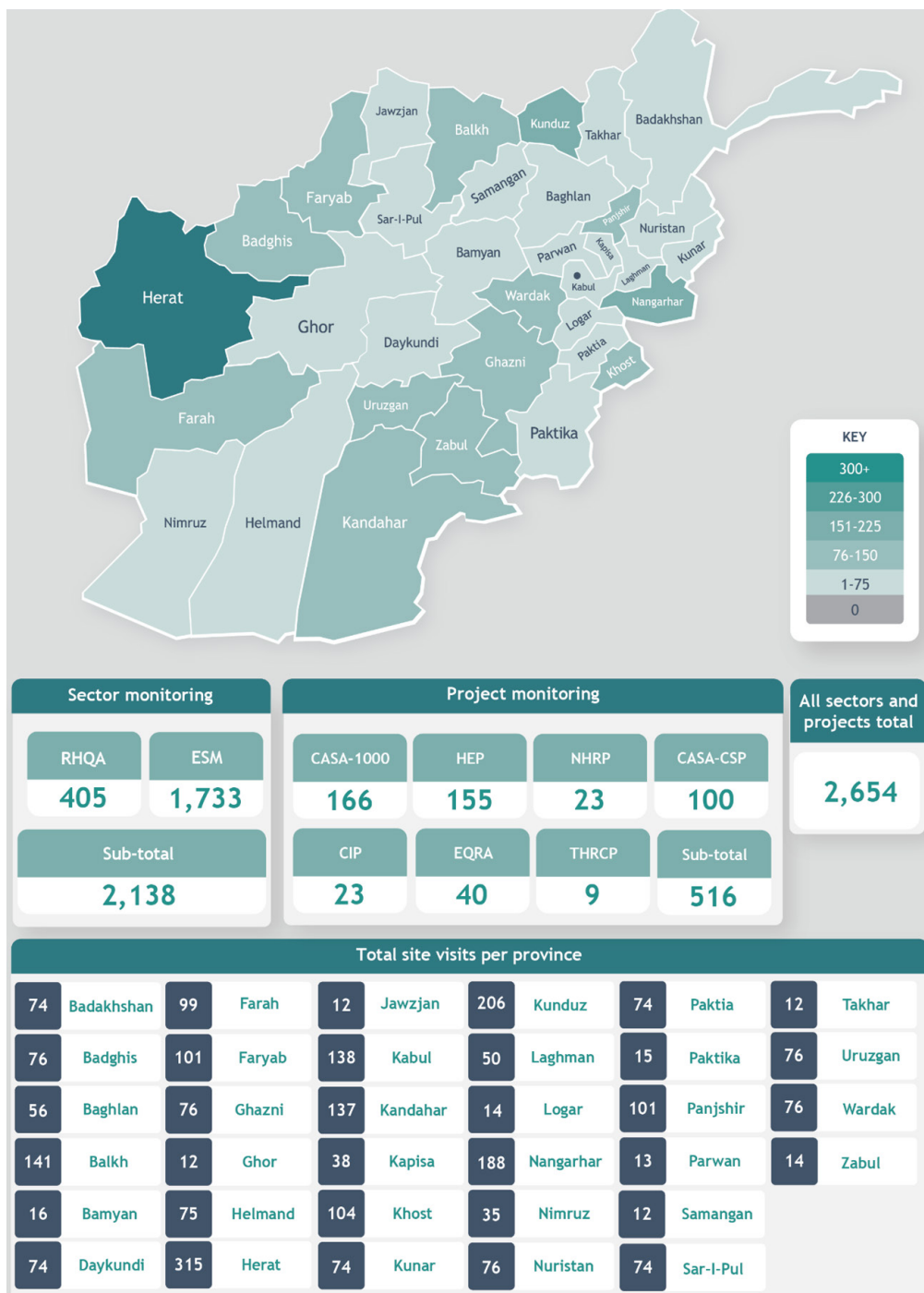
**Table 19: Information about separate latrines for girl students**

GENDER OF STUDENTS AT SCHOOLS MONITORED	SCHOOLS	SCHOOLS WHERE BOYS AND GIRLS GO TO SCHOOL AT THE SAME TIME	SCHOOLS WITH SEPARATE LATRINES FOR MALE AND FEMALE STUDENTS
Only boys	12 (30%)	N/A	N/A
Only girls	5 (12.5%)	N/A	N/A
Boys and girls	23 (57.5%)	16 out of 23 (70%)	1 out of 16 (6%)

# 4. Sector monitoring

In 2022, we expanded the scope of our monitoring to address critical information gaps in key sectors, including the Afghan economy, health service, and governance. As a result, sector monitoring was the largest physical monitoring activity throughout the year.

Figure 5: Sector Monitoring location visits from January to December 2022



## 4.1 Economic sector monitoring

After August 2021, the World Bank tasked us to monitor economic indicators in Afghanistan in several key areas:

- Prices and availability of food and non-food items combined into a Consumer Price Index basket as defined by the World Bank, and the extent to which shopkeepers selling these items were paying taxes, relying on barter, and providing credit to customers.
- Banking sector activities, including formal banking activities and the activities of informal currency exchange traders and Hawala operators.
- Labor market activities, including nominal wages and the availability of casual workers, as well as the extent to which civil servants' salary payments were being made.
- Transport flows at major border crossings (until July 2022).

We collected data through in-person surveys at markets and banks with shopkeepers, bank branch managers, bank customers, skilled and unskilled laborers, and *Hawala* operators, and by phone interviews with telecom operators and civil servants.

In the first half of 2022, we collected data on a weekly basis, and monthly from July 2022, with findings shared through our Digital Platform, where analyses are also visualized through a Power BI dashboard. In addition, we provide bi-weekly updates on topics such as exchange rate movements and new directives from Da Afghanistan Bank (DAB) and the ITA. In addition, twice-yearly reports provide a detailed overview of all the data collected. A report covering all of 2022 is currently under review by the World Bank.

In 2022, we conducted 1,733 location visits, comprising 1,484 market visits and 249 visits to border crossings (monitoring visits to bank branches are included in the market visits). We completed 284 market visits in the second half of 2022, the reduction reflecting the move from weekly to monthly reporting.

Our findings for 2022 as a whole indicate that the Afghan economy remains troubled: prices have continued to increase, especially for food, and some liquidity concerns remain. None of the Afghan banks we interviewed were able to meet DAB withdrawal limits for businesses because they lacked sufficient funds. Most civil servants we interviewed said that salary changes had reduced their income. On the other hand, particularly in the second half of 2022, some positive changes are evident:

- The Afghani appreciated against most currencies in 2022, with almost all banks able to meet DAB withdrawal limits for individual account holders. There was a significant reduction in the number of bank customers reporting that they could not withdraw the full amount to which they were entitled.
- Although prices continued to increase, they did so at a much slower rate than in 2021. Almost all food and non-food items monitored were sufficiently available.
- The number of shopkeepers and other vendors paying taxes increased in the second half of 2022. Towards the end of 2022 there was also an increase in the proportion of shopkeepers and other vendors reporting that the amount of taxes they paid had increased.
- While nominal wages stayed relatively stable for day laborers, available employment and estimated weekly earnings increased. The proportion of civil servants confirming that they had been paid in the previous three months increased significantly in the second half of 2022 to almost 100%.

However, indicators on poverty and hunger remain severely impacted. This report contains an overview of economic data collected for the World Bank. For in-depth analyses of how these findings should be interpreted in the overall context of Afghanistan, please see the publications posted on [Afghanistan's country page](#) on the World Bank website.

The evidence gathered shows that a range of factors, including seasonality, type of area (urban versus rural), and region, as well as the banks surveyed, all affect our findings. Since economic challenges are not felt equally across the country, aggregating and analyzing our data at the national level could severely misrepresent reality.

More information about the type of interviews conducted to collect economic sector monitoring data, and more detailed findings, are in Annex 12.

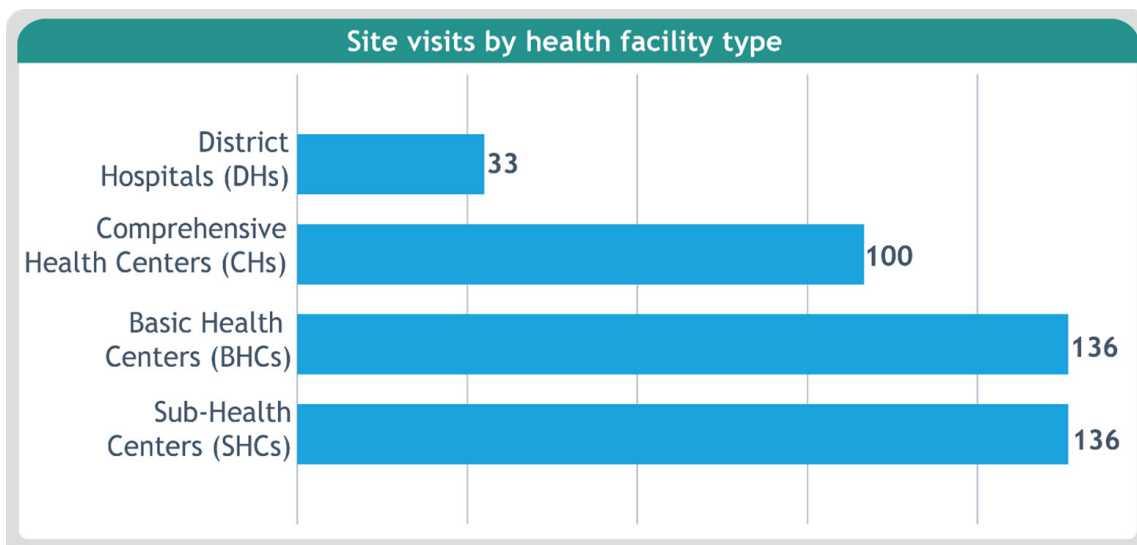
## 4.2 Health sector monitoring

Following the change in government, it was unclear whether the economic and political challenges resulted in any disruption to healthcare services. During 2022, we were tasked with conducting a Rapid Health Quality Assessment (RHQA), with data collection ultimately taking place during September and October. Our assessment focused on facilities covered by the Basic Package of Health Services (BPHS), thus excluding provincial hospitals. We visited 405 facilities managed by 14 SPs across all 34 provinces.

Our objective was to identify challenges and issues faced by health facilities and to generate evidence-based findings to inform future programming. The RHQA comprised two main activities:

1. An assessment of facilities focused on personnel, infrastructure, medicine, equipment, and waste management practices.
2. Verification of the provision of 16 key services, comparing facility records information from the Health Management Information System (HMIS) to identify discrepancies. We also conducted interviews with a sample of patients for 11 out of 16 services.

Figure 6: Site visits by health facility type



In addition to facility visits, we conducted qualitative interviews with 1,526 facility staff by phone to discuss workplace challenges, asking about job satisfaction, perceptions about current health services, and views about the future.

To verify HMIS data at community level, we conducted household surveys to verify that patients had received the services recorded. We located 87% of households sampled, completing 15,795 household surveys. We collected HMIS facility data and compared them with data from health registers and findings from household surveys.

We explored qualitative issues faced by health facility staff, such as challenges around the delivery of services and salaries. Using both qualitative and quantitative methods, we were able to obtain a comprehensive picture of healthcare progress and challenges, able to serve as a basis for improving the quality of healthcare services and enhancing the health outcomes of the Afghan population.

Overall, we found that despite facing significant challenges, Afghanistan's health facilities are still operational and providing valuable services. Key findings are provided below. More detailed findings and information about the methodology used can be found in Annex 13.

### Key findings from our Health Facility Assessment on personnel

- **Overall, staffing levels at facilities have remained stable.** There was no significant change in the mean number of facility staff over the past year (13.5 in 2021 and 13.4 in 2022). The mean number of technical staff stayed the same (10).
- **The percentage of facilities meeting recommended BPHS staffing requirements varied by type, position, and SP,** ranging from 74% of DHs to 91% of CHCs meeting recommended staffing levels in August 2022. Staff shortages for some specialized positions varied widely: 65% of facilities met the requirements for general practitioners, but only 12% of them had the required number of anesthetists. Only 21% of DHs met BPHS staffing requirements for health educators. In relation to nurses, 74% of facilities met the requirements. However, two SPs fell below BPHS staffing thresholds during the period, and two remained below throughout.
- **There are shortages of female healthcare workers in some specialties.** While women comprise almost two-fifths of staff across all facilities (37%), most are concentrated in a narrow range of specialties. Almost all midwives are women (99%), as are almost all nutrition counselors (95%). However, just over one-third of vaccinators (35%) and nurses (34%), and one-fifth of general practitioners (21%) are women. The lack of any female pediatric specialists is a concern. Only one facility in Paktika and two in Nuristan had female vaccinators. While most DHs (91%) had female vaccinators, only one-fifth (21%) of SHCs had female vaccinators. No facilities in Badghis, Ghor, Panjshir, or Zabul had a female general practitioner, and only one facility in each of Badakhshan, Nangarhar, and Wardak had female dentists.
- **Staff retention rates are high, and most staff are replaced when they resign.** Our analysis showed that 85% of staff employed in facilities in 2021 remained in place in 2022, and four-fifths (80%) of departing staff were replaced. DHs had the highest levels of staff attendance.
- **Most staff have not changed their approach to work, and changes at work are viewed as positive.** When asked, two-thirds of facility staff reported no change in their approach to work since August 2021. Of those who had experienced changes at work, two-thirds viewed these positively, citing a better work environment, better adherence to procedures, renovated facilities or new equipment, better medicine supply, and increased monitoring. Those reporting negative issues focused on salary problems, a heavier workload, and difficulties arising from new policies affecting female staff.
- **Job satisfaction is high.** Almost all staff (98%) surveyed reported moderate or high levels of job satisfaction, with no significant difference between male and female respondents. The primary factor contributing to job satisfaction was staff commitment to serving the community. Other factors included improved facilities, regular salary payments, and improved security. More than two-thirds of respondents (69%) felt more motivated compared to August 2021.
- **Staff reported improved perceptions of the health sector.** Two-thirds of respondents felt that the health sector had improved, primarily due to a combination of improved security, better overall medicine supply and improved service delivery at facilities, as well as regular salary payments. Negative factors included shortages of medicine and specialist staff, and reduced staffing levels. When asked for recommendations to improve access to quality health services, the most frequent suggestions were to ensure a steady supply of medicine and equipment.
- **Salary payments appear consistent.** A large majority of respondents (90%) reported having received their salaries in the three months prior to data collection, with more than half of respondents (55%) reporting no change in salary levels. Almost three-quarters of staff (72%) stated that salary payments had not been delayed; where they were, these were most common among staff at DHs and SHCs (31% each).

### Key findings from our Health Facility Assessment on infrastructure

- **Most facilities have functional water and electricity sources, with notable exceptions.** Most facilities had a functional water supply (60%) and electricity supply (81%), the latter mostly derived from solar power. However, one in five facilities had no water source (21%) and slightly more had electricity available for only a few hours a day (23%). Over one-third of SHCs (37%) had a functional source of water supply.

### Key findings from our Health Facility Assessment on medicine

- **The replacement times for medicine have improved although frequent shortages of some medicines remain a challenge.** On average, 89% of medicines on the BPHS list were in stock during visits. Respondents reported 1,472 instances of shortages of any given medicine at any period of time since August 2021, affecting two-thirds of facilities.

### Key findings from our Health Facility Assessment on equipment

- **Nearly all required equipment was available and functional.** On average, 96% of equipment from the BPHS list was available in the facilities assessed and nearly all was functional. Equipment availability varied by types of facilities: SHCs were least likely to have all the BPHS-specified equipment in place.

### Key findings from our verification of service provision findings

- **Findings from HMIS verification highlight that all SPs show areas for growth in accuracy when recording information.** We verified data on HMIS and in facility registers against 11 indicators. Our findings indicated a high degree of alignment between HMIS data and the registers, with a median Consistency Index of 98% for the 11 indicators.

### Key findings related to Environmental and Social Standards

- **Most of the facilities assessed had disinfection measures and waste management procedures in place. Some had issues related to waste management and infection prevention.** Almost all facilities practiced infection prevention measures, but only 18% of the facilities applied measures to minimize risks associated with hazardous medical waste. Similarly, most facilities had disinfecting measures for sharps, but for several SPs the measures were limited to half or slightly more than half of the facilities. Less than a quarter of facilities (22%) reported having additional facilities for Covid-19-related waste. While we observed labeled receptacles in all facilities, not all practiced labeling receptacles correctly for contaminated materials, and in several facilities, receptacles were also used for other materials. For waste disposal, most facilities (78%) reported using accepted incineration methods, although a small percentage (9%) still used open burning. Over two-thirds of facilities (69%) reported using recommended on-site primary and secondary wastewater treatment methods for fluid waste disposal.





# 5. Planning for new project monitoring




In 2022, the ARTF Management Committee and World Bank approved five new projects for Afghanistan to be implemented off-budget out of the ITA’s control, through UN agencies and NGOs.

From the second half of 2022, under a new contract with the World Bank, we were tasked with supporting the World Bank and UN agencies over monitoring of the new projects. In this period, our work focused on supporting the UN agencies in developing a TPM framework defining the scope of our work for each project, to ensure we were ready to collect data in 2023.

We initially worked with UN partners to develop Terms of Reference (ToR) outlining the scope of our engagement for each project and the nature of our relationship with each agency. From the ToR, we developed a detailed Monitoring Protocols specifying how we will monitor or validate project elements agreed in the ToR. Our role varies by project, as explained in Table 22.

**Table 20: Monitoring Agent activities in 2022 for new ARTF projects**

	PROJECT	2022 ACTIVITIES
	<p><b>Community Resilience and Livelihoods Project (CRLP)</b>                      Value: USD 265 million                      Implementer: UNOPS                      Approved: April 29, 2022</p>	<p>For this project, our role is that of sole TPMA.</p> <p>We developed ToR through a series of coordination meetings with the World Bank and the United Nations Office for Project Services (UNOPS). The ToR were approved by the World Bank and UNOPS on June 3, 2022.</p> <p>We subsequently worked on developing a Monitoring Protocol throughout the second half of 2022 and began working on developing data collection tools, covering pre-distribution, distribution, post-distribution, and infrastructure assessment monitoring. By the end of 2022, following feedback from the World Bank and UNOPS, we were working to finalize the Monitoring Protocol and the tools in preparation for data collection expected to begin in early 2023.</p>
	<p><b>Education Emergency Response in Afghanistan (EERA)</b>                      Value: USD 100 million                      Implementer: UNICEF                      Approved: September 8, 2022</p>	<p>For EERA, our role is to supplement a UNICEF-contracted TPMA</p> <p>Finalizing the ToR was affected by changes in the project’s scope, which the World Bank and UNICEF concluded in August when they revised the Project Appraisal Document. Then, after several rounds of feedback, the ToR were finalized on November 13, 2022.</p> <p>Our role is to complement the work of UNICEF’s contracted TPMA by monitoring areas of work it does not cover and by validating a sample of its findings.</p> <p>Following extensive detailed engagement with UNICEF and the World Bank, the Monitoring Protocol and data collection tools are expected to be finalized in early 2023, with data collection following shortly after.</p>

	PROJECT	2022 ACTIVITIES
	<p><b>Emergency Food Security Project (EFSP)</b>  <b>Value:</b> USD 195 million  <b>Implementer:</b> UNICEF  <b>Approved:</b> June 2, 2022</p>	<p>For EFSP, our role is to validate a proportion of findings from FAO's two contracted TPMAs.</p> <p>The ToR were approved on June 14, 2022 by FAO and on June 16, 2022 by the World Bank. The ToR outlines that FAO will hire its own TPMAs for monitoring work implemented by FAO's implementing partners and that we will validate a sample of the findings of these TPMAs.</p> <p>The latter half of the year was spent in developing the Monitoring Protocol and providing feedback to FAO on its TPMA recruitment. That recruitment process was ongoing at the end of 2022; once concluded, we anticipate finalizing the Monitoring Protocol and begin data collection.</p>
	<p><b>Health Emergency Response (HER)</b>  <b>Value:</b> USD 333 million  <b>Implementer:</b> UNICEF  <b>Approved:</b> May 24, 2022</p>	<p>For HER, our role is to supplement a UNICEF-contracted TPMA</p> <p>The ToR were approved by the World Bank and UNICEF on July 22, 2022. The Monitoring Protocol was subsequently agreed by the World Bank and UNICEF on November 28, 2022.</p> <p>Our role is to complement the work of UNICEF's contracted TPMA by monitoring areas of work it does not cover and by validating a sample of its findings.</p> <p>We developed data collection tools for Environmental and Social Standards and shared them with the World Bank in December, and anticipate developing verification data collection tools in early 2023.</p>
	<p><b>NGO/CSO Capacity Support Project (NCCSP)</b>  <b>Value:</b> USD 20 million  <b>Implementer:</b> UNICEF  <b>Approved:</b> June 28, 2022</p>	<p>For this project, our role is that of sole TPMA.</p> <p>The ToR were approved by the World Bank and UNOPS on July 24, 2022 and the Monitoring Protocol on December 9, 2022.</p> <p>We have not yet initiated the development of data collection tools because we are not monitoring Phase One of the project. NCCSP Phase Two, which we will monitor, is expected to commence in April 2023.</p>

# 6. Conclusion: Adding value while navigating change

## 6.1 Supporting new projects and implementing partners

In 2022, we achieved all the activities we had laid out at the beginning of the year while continuing to respond to new requests and priorities. We expanded the scope of our sector monitoring to include health and governance. And, in response to a request from the World Bank, we began to review transactions recorded in projects' bank accounts.

One of our most significant achievements was not planned for at the start of the year, the extensive range of engagement with the World Bank and new UN implementing partners to develop third party monitoring frameworks for the five new projects approved by the ARTF Steering Committee and the World Bank between May and September 2022. Establishing solid working relationships with the new implementing partners and building robust monitoring processes has laid the foundations that will enable us to strengthen accountability and enhance opportunities for learning in 2023 through an independent perspective on project performance.

This was also a year of transition because it marked not only the start of our work on these new projects but also the end of monitoring a range of investment projects implemented by the previous government (No further monitoring of these projects is currently anticipated). This transition is also the reason why we conducted fewer location visits than in previous years. The number of location visits was also affected as access became increasingly difficult to secure as authorization policies within the ITA also changed over time.

In response, our count of interviews increased significantly in 2022, whether by conducting as many interviews as possible during each location visit or as our sector monitoring increased, which often requires many different respondents to be interviewed at the same locations, at a market or, in 2022, a health facility.

## 6.2 Increasing the scope of sector monitoring

After August 2021, the lack of a government partner and an official country presence by World Bank personnel led to a range of information gaps for the World Bank and the international community. We began to address these gaps with economic sector monitoring shortly after and expanded our sector monitoring throughout 2022. This yielded specific and continuing data for a range of topics, providing detailed insights into the Afghan economy. In addition, we followed up on requests from the World Bank to address similar information gaps for governance and health. For the former, we provided updates covering various aspects of the regulatory environment and public service delivery that can impact the implementation of World Bank projects. For health sector monitoring, we conducted an extensive Rapid Health Quality Assessment from September-October 2022, which provided detailed insight into the current situation of the health sector of Afghanistan.

Altogether, despite the significant changes to our monitoring portfolio in 2022 and the ever-changing challenges faced by international and Afghan staff, we have managed to embrace changes as opportunities by developing new ways of working and setting new goals. In 2022, this enabled us to provide fiscal assurance for over USD 577 million and conduct more than 2,600 location visits and almost 110,000 interviews. Moreover, it ensured that we managed to go above and beyond the goals we set ourselves

for 2022, providing timely and accurate information to help guide decisions in support of the millions of Afghans facing severe hardship.

### 6.3 Looking forward to 2023

In 2023, we will work closely with the World Bank to continue to provide sector monitoring findings and insights, and to report on project implementation of the five new UN agency-implemented projects.

**Table 21: Monitoring Agent activities planned in 2023**

<b>FINANCIAL MONITORING</b>	<ul style="list-style-type: none"> <li>Review of unpaid government liabilities for ten projects, of project invoices and commitments that remained unpaid as of August 15, 2021, determining final cumulative expenditure and Questionable Transactions, and reconciling Designated Account to identify unaccounted funds and unreconciled items.</li> <li>Review of Statements of Cash Receipts and Payments (40 financial reports for 40 projects), conducting agreed procedure on cash receipts and payments with the objective of determining the completeness, accuracy, and validity of transactions.</li> <li>Conduct 14 audits under the Harmonized Approach to Cash Transfer framework, providing audit opinion expenditure reported by implementing partners through Fund Authorization and Expenditures (FACE) forms to UNICEF.</li> <li>Review project expenditures for new monitoring projects (CRLP, EERA, EFSP, HER, and NCCSP)<sup>18</sup>.</li> <li>Review project bank statements of previous projects with the intention of identifying and reviewing transactions recorded after August 15, 2021.</li> </ul>
<b>PROJECT MONITORING</b>	<ul style="list-style-type: none"> <li>Issue project reports and develop a Power BI dashboard based on data collected for CRLP based on an estimated 830+ location visits in 2023.</li> <li>Issue project reports and develop a Power BI dashboard based on data collected for EERA based on an estimated 3,000 location visits in 2023.</li> <li>Issue project reports and develop a Power BI dashboard based on data collected for EFSP as validator of FAO’s TPMA, with almost 1,000 location visits in 2023.</li> <li>Issue project reports and develop a Power BI dashboard based on data collected for HER, with location visits to be confirmed.</li> <li>Issue project reports and develop a Power BI dashboard based on data collected for NCCSP based on an estimated 170+ location visits in 2023.</li> </ul>
<b>SECTOR MONITORING<sup>19</sup></b>	<ul style="list-style-type: none"> <li>Continue monthly economic sector monitoring.</li> <li>Continue governance sector monitoring.</li> <li>Begin education sector monitoring.</li> <li>Develop other sector monitoring as requested by the World Bank.</li> </ul>
<b>DIGITAL PLATFORM</b>	<ul style="list-style-type: none"> <li>All our deliverables (datasets, reports, and Power BI dashboards) are made available to the World Bank on our Digital Platform. In 2023 we will work to make parts of this platform externally available for donors to improve accountability of funding provided, and to UN implementing agencies to support with project implementation.</li> </ul>

<sup>18</sup> A sixth project, the Water Emergency Relief Project, has also been approved and will be monitored.

<sup>19</sup> We are not continuing with health sector monitoring because the information collected will already be covered by project monitoring related to HER.

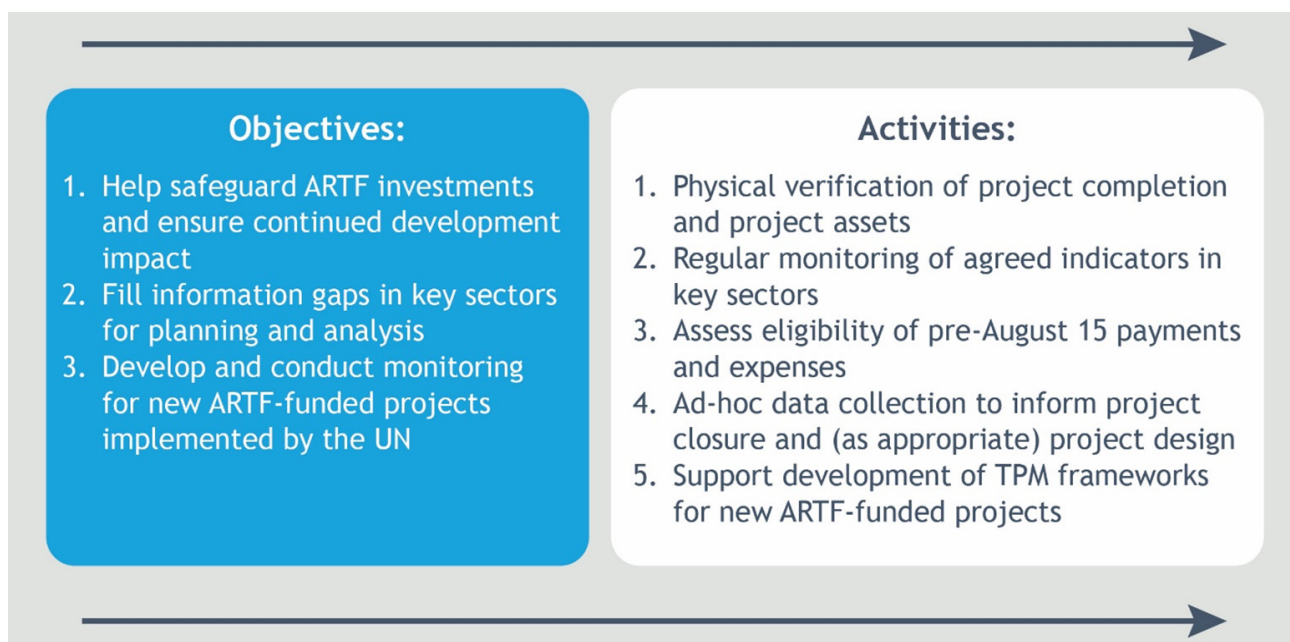
# Annex 1: Monitoring Agent Scope and Methodology

The Monitoring Agent (MA) contract that began in January 2020 is the first in the history of the Afghanistan Reconstruction Trust Fund (ARTF) to combine both financial and physical monitoring components, which we previously delivered separately. Bringing together our reviews of internal financial processes with in-person monitoring visits that assess and verify project implementation or provide contextual information, our contract provides the World Bank and other stakeholders with a more complete view of investment project performance and to inform future project design.

## Our objectives

Since the ARTF suspended payments to the government of Afghanistan after the change in government, our activities have been guided by a framework of three objectives, which are centered around the overarching goal of strengthening systems and project performance (see Figure 1). Our activities throughout 2022 can be categorized across five main activities. Our objectives remain focused on strengthening systems and project performance, but instead of providing assurance on how the Afghan government under the Republic used funding, our focus shifted to the UN organizations who now implement ARTF-funded projects to provide life-saving humanitarian assistance and services to the Afghan people. To enable data collection, share expertise and information, and collaboratively address issues, we have worked collaboratively with relevant World Bank and UN stakeholders across all our activities.

Figure 1: ARTF MA objectives in 2022

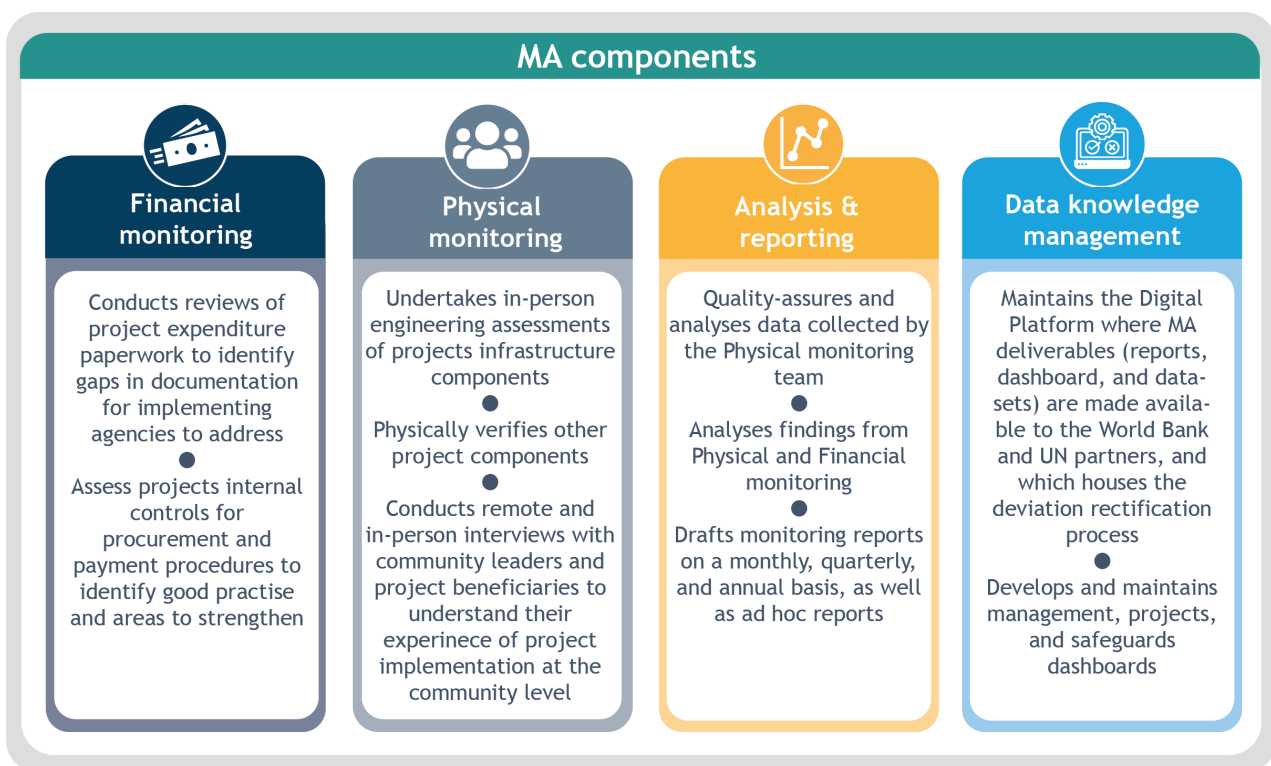


Throughout 2022, we continued both financial reviews and in-person physical monitoring of projects implemented by the previous government in 2022 to assist with project closure and provide accountability over expenditure, and to help strengthen the results of 20 years of investment in development for the Afghan people. We also monitored the economic, governance, and health sectors to provide the World Bank with up-to-date information on the latest developments in these sectors. This information was critical in informing the project design of the World Bank and partners so that they could address the latest challenges affecting the people of Afghanistan. This year, we also assisted the UN in implementing projects financed by the Fund by helping them develop the monitoring frameworks for the projects.

### Our team

To deliver these objectives, we have organized our team into four components that work together to provide a coordinated approach to analyzing and reporting findings.

Figure 2: ARTF MA components



Our **Financial Monitoring Team**, made up of international and Afghan accountants, coordinates closely with the World Bank and UN partners to identify the documents required to conduct and complete reviews of procurement and payment processes, as well as payments made. They also work with the Physical Monitoring Team, which supports financial monitoring activities through location visits to collect and photograph documents needed for their reviews and conduct checks to verify the existence of government employees.

The **Physical Monitoring Team**'s engineers conduct in-person assessments of construction progress, while social researchers conduct in-person interviews with project implementation staff, as well as local leaders and community members. Call center agents conduct telephone interviews when in-person interviews are not advised, such as when access is limited due to weather or security risks.

Our **Analysis and Reporting Team** cleans and quality-assures the data collected by the Physical Monitoring Team before conducting analysis. They then compile findings from the in-person location visits and financial monitoring activities in monthly, quarterly, annual, and ad hoc reports. We also develop project and sector

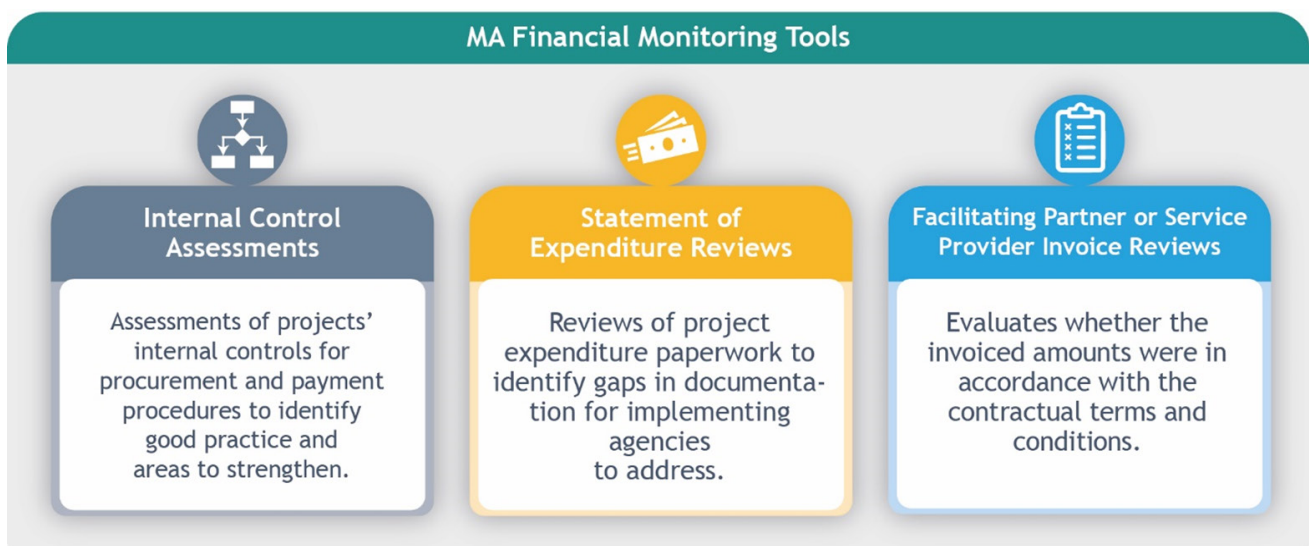
dashboards that allow World Bank Task Teams to engage directly with monitoring data and findings. As needed, we also provide cleaned, anonymized data sets.

The **Data Knowledge Management Team** provides support for the MA by maintaining a digital monitoring platform that houses the data from physical monitoring location visits, deliverables from the Analysis and Reporting Team, and the online tool that ministry teams used to trace the rectification process for the infrastructure deviations that MA engineers identified in their location visits. We are currently updating this tool and augmenting it with a ‘Red Flag’ rectification process to adapt to the different requirements of UN-implemented projects prior to data collection, which begins in early 2023.

### Financial monitoring tools

Our Financial Monitoring Team has various tools at its disposal to integrate oversight of project fiduciary compliance with the in-person assessments of engineers and social researchers from the Physical Monitoring Team. Figure 3 highlights these tools. Since our contract began in January 2020, we have employed the tools to active and pipeline projects funded through the Investment Window. By the end of 2022, we had monitored 38 different projects from the beginning of our contract.

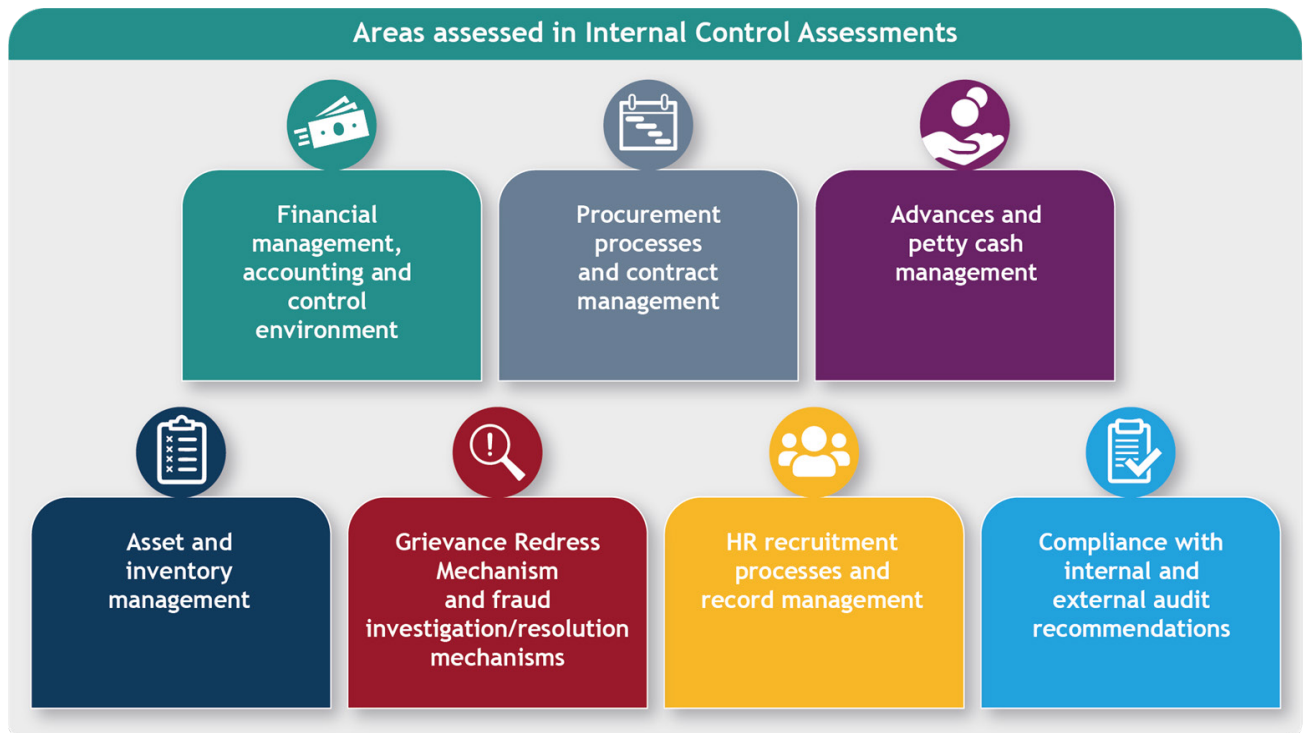
Figure 3: ARTF MA financial monitoring tools



### Internal Control Assessments

Internal Control Assessments (ICAs) test how adequate existing controls are and whether they are operating effectively. Depending on the requirement, we can conduct assessments from the central down to community level. In previous years, we assessed the Afghan government under the Republic’s Project Implementation Units’ internal control and project management arrangements, with quarterly reporting. Although we did not conduct any ICAs in 2022, they remain part of our third party monitoring toolkit, since they identify whether project financial, operating, and compliance controls exist in seven areas (see Figure 4).

Figure 4: Areas assessed in Internal Control Assessments



Following completion of the assessment, we interpret and evaluate the results. From our testing of the effectiveness of a project’s policies, systems, and procedures, we classify any issues found as either gaps and weaknesses in the adequacy of relevant systems, policies, and procedures, or as exceptions.

For each issue identified, we provide evidence and confirm its factual accuracy with the relevant team before recording it in an Issues Log/Action Plan.

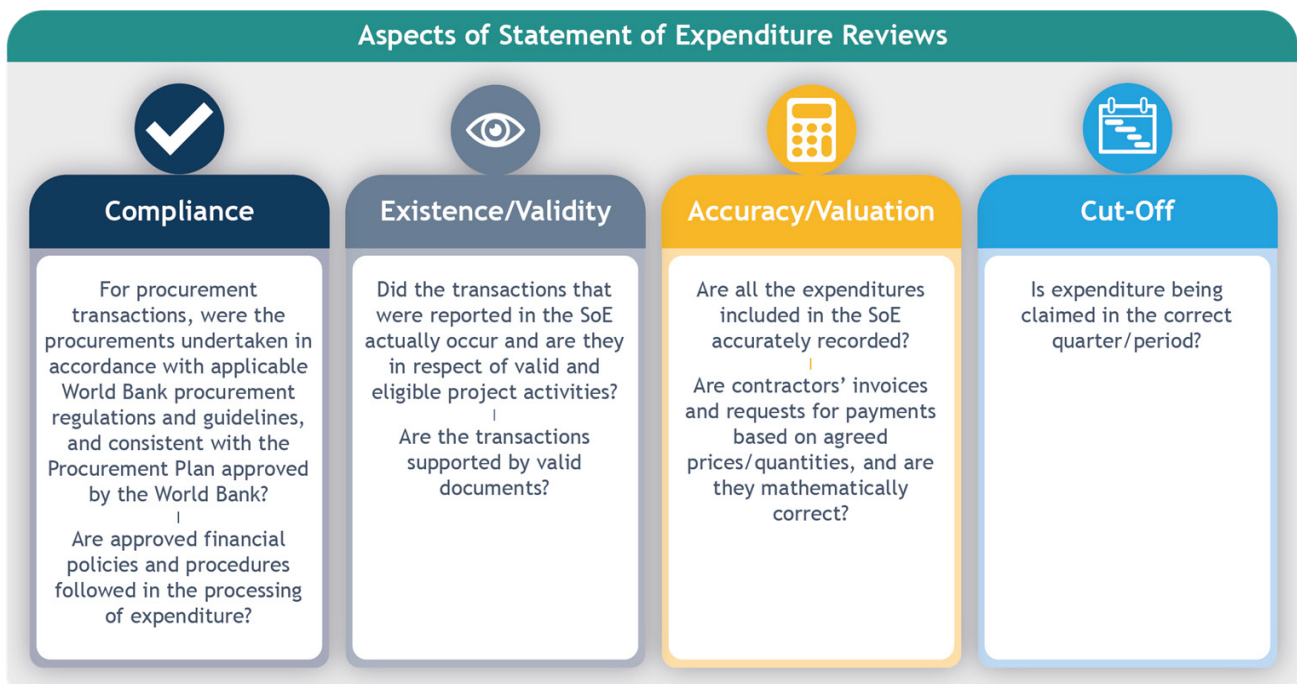
Previously, we would conduct ICAs around six months after the project’s beginning, to give time to the project time to begin full implementation. ICAs would then be updated annually and revisited before a project’s Mid-Term Review.

### Statement of Expenditure Reviews

A significant proportion of our financial monitoring activities for investment projects implemented by the previous government involved the review of Statements of Expenditure (SoEs) that projects submitted in support of their withdrawal applications. This process included substantive testing of project procurement transactions and other expenditure, which primarily comprised project implementation and management costs. The overall objective of this testing was to check that project expenditure was eligible under the grant and financing agreements. We achieved this by testing whether expenditure is compliant, valid, accurate, and made within the correct quarter.

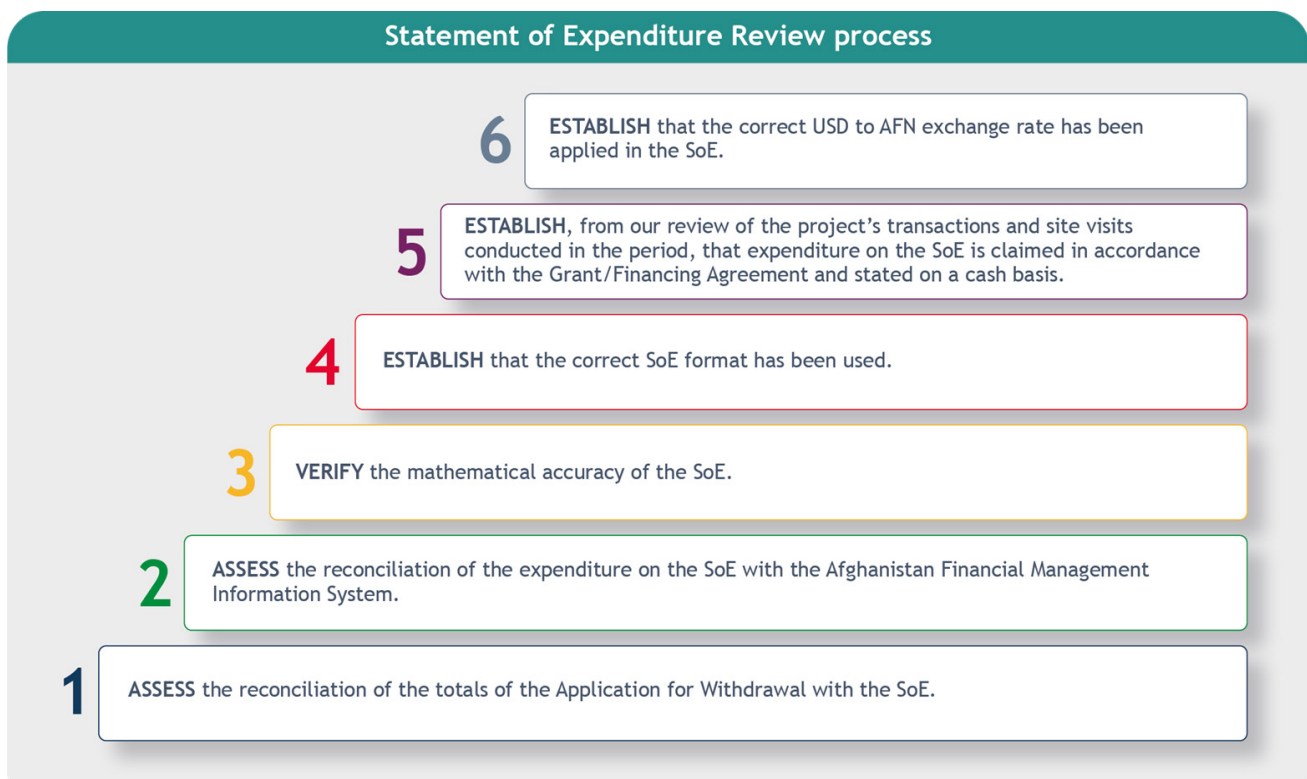


Figure 5: Aspects of Statement of Expenditure Reviews



We follow six steps in the Statement of Expenditure Reviews we conduct.

Figure 6: Statement of Expenditure Review process



We submit the findings from the SoE Reviews in Cover Letters on an ad-hoc basis.

## Facilitating Partner or Service Provider Invoice Reviews

Following the change in government, we worked with the World Bank to identify additional financial monitoring tools to enable continued payments to Facilitating Partners or Service Providers for work completed under the Republic. This invoice review involved several steps (see Figures 7 and 8) to evaluate whether the invoiced amounts were determined in accordance with the contractual terms and conditions so they could then be processed for payment.

Figure 7: Service Provider Invoice Review process

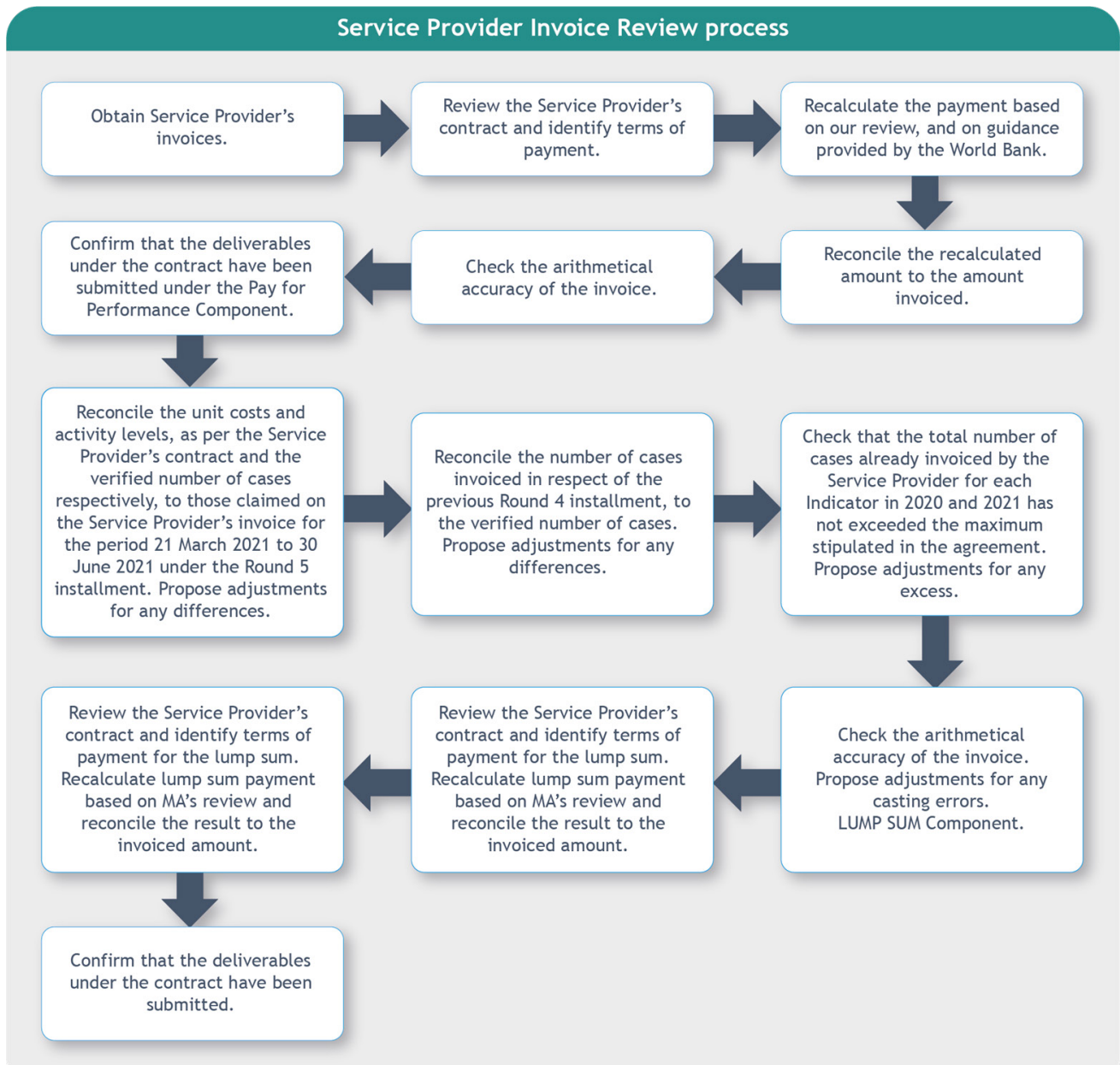
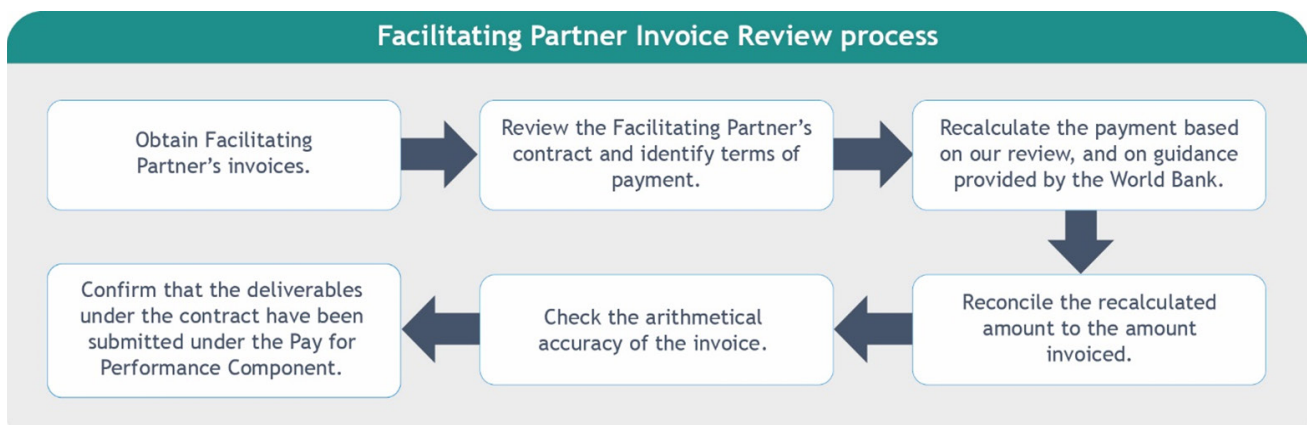


Figure 8: Facilitating Partner Invoice Review process



### Project monitoring methodology

In our original contract, the largest element of our monitoring consisted of 8,000 physical location visits over the span of two years combined with a review of the documentation related to project procurement transactions and other expenditure. In 2020, we completed 4,041 location visits and were on track to exceed the 4,000 location visits planned in 2021, completing 2,739 by August when the World Bank suspended in-person monitoring activities for an interim period immediately following the change in government.

During these visits, our engineers assessed various aspects of the construction that projects had undertaken. They assigned scores to different project aspects, including design, materials, and workmanship, based on agreed grading criteria, which we explain in the following sub-section. Social researchers or call center agents also conducted key informant interviews with a range of respondents, including project implementing teams and contractors as well as a range of other project stakeholders, leaders, and members of communities where our engineers carry out their location visits.

Even though investment projects implemented by the previous government have been suspended under the new administration, engineers from our Physical Monitoring team continued to undertake in-person location visits in 2022 to verify project completion or asset status for three projects, and to support project closure for an additional four projects. Our engineers continued to use the same approach for these visits - 516 in total - with some adaptations to data collection tools for visits made to support World Bank task teams with ICR reports that are necessary for project closure.

### Observations and project ratings

Our starting point for our sub-project and project grades are our engineer’s observations, reinforced by documentary evidence (including photographs), and further evidenced by survey responses from local project staff, contractors and technical personnel, laborers, male and female Community Development Council (CDC) office-bearers, and other community leaders and members.

Engineers’ observations consist of all the data points they collect when assessing the various aspects of the sub-projects. We categorize these observations as follows:

- Verifications, which include various checks of construction standards, from which we gather evidence of the following:
- Deviations, which are undocumented changes from the specified project design, or shortcomings in agreed construction standards or the application of social or environmental safeguards. We categorize deviations as Critical, Major, or Minor. Table 1 contains the definitions of these three categories.
- Notifications, which are Minor deviations with an assessed cost of less than USD 50 to rectify.
- Good Practice, which is where planned work is done to a very high standard.
- Extra Works, which includes elements not specified in the design that improve sub-project function.

CDCs typically undertake Extra Works, mobilizing community resources to pay for the additional features.

**Table 1: Criteria for deviation categories**

DEVIATION CATEGORIES	DEVIATION CATEGORY DEFINITIONS
Critical	<ul style="list-style-type: none"> <li>Failure to construct infrastructure in a way that protects workers or community members during construction and requiring urgent mitigation before work can continue.</li> <li>For completed infrastructure, failure to construct infrastructure in a way that protects community members or users.</li> <li>A non-recoverable negative impact in terms of structural quality, functionality, or sustainability.</li> </ul>
Major	<ul style="list-style-type: none"> <li>Capable of being rectified but not within existing budget and/or timeframe for completion.</li> <li>A significant negative impact in terms of overall structural quality, functionality, and/or sustainability.</li> <li>Not capable of being rectified and resulting in agreed budget and timeframe for completion being exceeded.</li> </ul>
Minor	<ul style="list-style-type: none"> <li>Capable of being rectified within existing budget and/or timeframe for completion.</li> <li>No significant negative impact in terms of overall structural quality, functionality, and/or sustainability.</li> <li>Not capable of being rectified but no negative effect on agreed budget and timeframe for completion.</li> </ul>

As a first step, our engineers produce an ‘aspect rating’ for different infrastructure aspects: design, materials, workmanship, and the Operations & Maintenance (O&M) Plan and its implementation where applicable, based on the zero to five scoring model outlined in Table 2.

**Table 2: Scoring and rating of infrastructure aspects**

ASPECT RATING DEFINITIONS	ASPECT SCORE	ASPECT RATING
<b>Design</b>		
The design was created with full consideration of the site requirements. The design is fully appropriate and allows for 100% of intended functionality and design life.	4.5+	Very 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 and 100% and design life is not impacted.	3.5 - 4.49	Good
The design responds only to the major requirements of the site. Some of the design may be inappropriate or missing important elements, causing the sub-project to have between 70 and 90% of intended functionality and a shorter design life.	3.0 - 3.49	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 and 70%. Sustainability is negatively impacted, and the sub-project will require more maintenance than otherwise would be necessary.	2.0 - 2.9	Below Average
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 sub-project unsustainable and non-functional in a number of identifiable areas (between 10 and 40%). Portions of the design may have not been feasibly implemented.	1.0 - 1.9	Poor

ASPECT RATING DEFINITIONS	ASPECT SCORE	ASPECT RATING
The design does not consider any of the major requirements of the site. The design is inappropriate, making the sub-project unsustainable and non-functional (below 10%). Identified deficiencies cannot be remedied without affecting the sub-project budget or timeframe and may not be capable of rectification.	0.0 - 0.9	Very Poor
<b>Materials Used</b>		
The materials used meet all the technical specifications and exceed them in some areas.	4.5+	Very Good
The materials used meet all the technical specifications.	3.5 - 4.49	Good
The materials used meet the major specifications, with some evident deficiencies that can be remedied without affecting the sub-project budget or timeframe.	3.0 - 3.49	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.	2.0 - 2.9	Below Average
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.	1.0 - 1.9	Poor
All, or almost all, of the materials used deviate from the technical specifications, requiring major 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.	0.0 - 0.9	Very Poor
<b>Workmanship</b>		
The quality of workmanship meets all the technical specifications and exceeds them in some areas.	4.5+	Very Good
The quality of workmanship meets all the technical specifications.	3.5 - 4.49	Good
The quality of workmanship meets the major specifications, with some evident deficiencies that can be remedied without affecting the sub-project budget or timeframe.	3.0 - 3.49	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.	2.0 - 2.9	Below Average
The quality of workmanship deviates significantly from the technical specifications, with many evident deficiencies that cannot be remedied without affecting the sub-project budget or timeframe.	1.0 - 1.9	Poor
In all, or almost all, cases, the quality of workmanship deviates from the technical specifications, requiring major 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.	0.0 - 0.9	Very Poor
<b>Operations and Maintenance (applicable for completed sub-projects)</b>		
The O&M Plan is fully funded and being implemented. It meets all the requirements of the site or sub-project, exceeds them in some identifiable areas, and is expected to be sustainable over the entire design life of the sub-project.	4.5+	Very Good
The O&M Plan meets all the requirements of the site or sub-project and is fully funded. If not already being implemented, it is expected to be fully funded and to be sustainable over its entire design life.	3.5 - 4.49	Good
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.	3.0 - 3.49	Average

ASPECT RATING DEFINITIONS	ASPECT SCORE	ASPECT RATING
The O&M Plan meets some, but not all, of the major requirements of the site or sub-project. A small portion of the funds needed to support implementation are in place. If not already being implemented, the Plan is not expected to be fully funded.	2.0 - 2.9	Below Average
The O&M Plan meets very few of the major requirements of the site or sub-project.	1.0 - 1.9	Poor
The O&M Plan does not support, or is likely to fail to support, the sustainability of the site or sub-project.	0.0 - 0.9	Very Poor

Then, as outlined in Table 3, the final rating that we apply to a sub-project depends on the number and type of deviations identified by the engineers. For example, a sub-project with an average aspect rating of 3.5 with no Critical deviations would be graded as Good. If, however, it had more than two Major deviations, it would be downgraded to Average.

We determine the sub-project rating by considering the number and nature of deviations identified, making allowances for instances of Good Practice and Extra Works. Project ratings are the average of the final ratings for all a project’s sub-projects monitored in that period.

**Table 3: Final project rating table**

AVERAGE ASPECT SCORE	DEVIATIONS	PROJECT 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
0.00-1.99	More than 4 Minor deviations	Poor
	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

# Annex 2: Statements of Expenditure Cover Letters Issued in 2022

All figures in this annex are in US Dollars.

PROJECT	PROJECT ID	PERIOD	TOTAL EXPENDITURE PER STATEMENT OF EXPENDITURE SUBMITTED BY PROGRAMME MANAGEMENT UNIT (PMUS)	ADJUSTMENTS FOR QUESTIONABLE TRANSACTIONS PROPOSED BY MONITORING AGENT (MA)	REVERSAL OF PREVIOUSLY REPORTED QUESTIONABLE TRANSACTIONS RESOLVED	EXPENDITURE RECOMMENDED FOR REPLENISHMENT BY MA
Afghanistan Access to Finance (A2F)	P128048	Q3 1400	3,337,649		-	3,337,649
Afghanistan Land Administration System Project (ALASP)	P164762	Q3 1400	583,367	-		583,367
Afghanistan Skills Development Project (ASDP) II	P132742	Q3 1400	747,369	-172,969	-	574,400
Afghanistan Water, Sanitation, Hygiene and Institutional Support (AWASH)	P169970	Q3 1400	18,329	-	-	18,329
ALASP	P164762	Q3 1400	8,164	-	252,469	260,633
CASA 1000	P145054	Q3 1400	561,227	-	-	561,227
CASA CSP (Covid-19 Relief Grant) Lot3	P149410	Q3 1400	145,391	-24,968		120,423
CASA CSP (Grants)	P149410	Q3 1400	807,295	-259		807,036
CASA CSP (OpEx)	P149410	Q3 1400	239,096	-	13,655	252,751
CCAP (IDLG)	P160568	Q3 1400	14,299,251	-1,234,314	245,954	13,310,891
CCAP (MRRD) CDC Grant Lot 12	P160567	Q3 1400	6,090,927	-6,497	-	6,084,430
CCAP (MRRD) Covid-19 Relief Grants Lot6	P160567	Q3 1400	777,886	-57,288		720,598

PROJECT	PROJECT ID	PERIOD	TOTAL EXPENDITURE PER STATEMENT OF EXPENDITURE SUBMITTED BY PROGRAMME MANAGEMENT UNIT (PMUS)	ADJUSTMENTS FOR QUESTIONABLE TRANSACTIONS PROPOSED BY MONITORING AGENT (MA)	REVERSAL OF PREVIOUSLY REPORTED QUESTIONABLE TRANSACTIONS RESOLVED	EXPENDITURE RECOMMENDED FOR REPLENISHMENT BY MA
CCAP (MRRD) OpEx.	P160567	Q3 1400	3,878,558	-42,229	-	3,836,329
CIP	P160619	Q3 1400	1,292,787	-384		1,292,403
CIP	P160619	Q3 1400	42,238	-	-	42,238
Covid-19 Emergency Response and Health Systems Preparedness Project (ERHPP)	P173775	Q3 1400	21,711	-	-	21,711
Covid-19 Relief Effort for Afghan Communities and Households (REACH)-MRRD (OPEX)	P174119	Q1-Q2 1400	173,025	-		173,025
Digital CASA	P156894	Q3 1400	595,630	-	-	595,630
Emergency Agriculture and Food Security (EATS)	P174348	Q3 1400	1,466,965	-	-	1,466,965
EQRA (MRRD) CDC Grant-10	P159378	Q3 1400	1,228,771	-5,133		1,223,638
EQRA (MRRD) OpEx	P159378	Q2 1400	439,005	-		439,005
EQRA (MRRD) OpEx	P159378	Q3 1400	257,965	-	16,038	274,003
Eshteghal Zaiee - Karmondena (EZ-Kar) (IDLG) Component 2	P166127	Q3 1400	1,732,890	-		1,732,890
EZ-Kar (IDLG) Component 3	P166127	Q3 1400	490,775	-	-	490,775
EZ-Kar (KM)	P166127	Q3 1400	383,443		-	383,443
EZ-Kar (MoEC)	P166127	Q3 1400	104,623	-	-	104,623
EZ-Kar (MoFA)	P166127	Q3 1400	144,215	-	-	144,215
Fiscal Performance Improvement Support Project (FSP)	P159655	Q3 1400	523,915	-1,289	-	522,626
HEP	P162022	Q3 1400	2,181,230	-		2,181,230
HEP	P162022	Q3 1400	385,447	-	197,914	583,361
Kabul Municipal Development Program (KMDP)	P125597	Q3 1400	376,072	-	-	376,072



PROJECT	PROJECT ID	PERIOD	TOTAL EXPENDITURE PER STATEMENT OF EXPENDITURE SUBMITTED BY PROGRAMME MANAGEMENT UNIT (PMUS)	ADJUSTMENTS FOR QUESTIONABLE TRANSACTIONS PROPOSED BY MONITORING AGENT (MA)	REVERSAL OF PREVIOUSLY REPORTED QUESTIONABLE TRANSACTIONS RESOLVED	EXPENDITURE RECOMMENDED FOR REPLENISHMENT BY MA
Mazar-e-Sharif Gas-to-Power Project (Mazar Gas)	P157827	Q3 1400	14,490	-250	-	14,240
Modernization of Afghanistan State Owned Banks (MASOB)	P161348	Q3 1400	591,636	-35,393	-	556,243
NHRP	P132944	Q3 1400	1,150,961	-	20,138	1,171,099
Opportunity for Mobilization Agribusiness Investment and Development (OMAID)	P168179	Q3 1400	32,835	-12,962	-	19,873
Public-Private Partnerships and Public Investment Advisory Project (PPIAP)	P158768	Q3 1400	183,339	-	-	183,339
REACH - IDLG (OpEx)	P174119	Q3 1400	644,242	-	-	644,242
REACH - MRRD (CDC) Lot 1	P174119	Q3 1400	1,523,155	-34,113	-	1,489,042
REACH-IDLG (Grants)	P174119	Q3 1400	3,292,834	-89,722	-	3,203,112
REACH-KM	P174119	Q3 1400	880,084	-	-	880,084
REACH-MRRD (OPEX)	P174119	Q3 1400	202,318	-	-	202,318
Sehatmandi	P160615	Q3 1400	4,064,005	-1,287,808	-	2,776,197
Tackling Afghanistan's Government HRM and Institutional Reforms (TAGHIR)	P166978	Q3 1400	1,871,090	-	-	1,871,090
WEE-RDP	P164443	Q3 1400	1,146,387	-265,003	-	881,384
Women Economic Empowerment Rural Development Program (WEE-RDP)	P164443	Q1-Q2 1400	2,018,553	-108,319	-	1,910,234
Women's Economic Empowerment National Priority Program (WEE-NPP)	P159291	Q3 1400	-	-	93,758	93,758

# Annex 3: Status of Questionable Transactions at 31 December 2022

All figures in this annex are in US Dollars.

PROJECT	PROJECT ID	OUTSTANDING QUESTIONABLE TRANSACTIONS (QTS) AT AUGUST 15, 2021	ADDITIONAL QTS REPORTED SINCE AUGUST 15, 2021, ARISING FROM COMMITMENT REVIEWS	QTS RESOLVED SINCE AUGUST 15, 2021	OUTSTANDING QTS AT DECEMBER 31, 2022
A2F	P128048	-	-	-	-
Afghanistan Gas Project (AGASP)	P172109	-	1,529	-	1,529
Afghanistan Rural Access Project (ARAP) (MoPW)	P125961	-	-	-	-
Afghanistan Strategic Grain Reserve Project (ASGRP)	P160606	401	-	-	401
ALASP	P164762	-	10	-	10
ARAP (MRRD)	P125961	233	-	-	233
ASDP II	P132742	183,908	-	-	183,908
AWASH	P169970	-	-	-	-
CASA CSP (Covid-19 Relief Grant)	P149410	39,669	-	-	39,669
CASA CSP (Grants)	P149410	15,661	-	-	15,661
CASA-1000	P145054	547	-	-	547
CCAP (IDLG)	P160568	-	-	-	-
CCAP (IDLG) OpEx and Grants	P160568	2,265,230	-	-	2,265,230
CCAP (MRRD) CDC Grants	P160567	179,821	-	-	179,821
CCAP (MRRD) Covid-19 Relief Grants	P160567	429,166	-	-	429,166
CCAP (MRRD) OpEx	P160567	1,458,519	-	-	1,458,519
CIP	P160619	49,310	-	-	49,310
Covid-19 ERHPP	P173775	-	745	-	745
DABS Planning and Capacity Support (PCS)	P131228	-	-	-	-
Digital CASA	P156894	-	61	-	61
EATS	P174348	105,204	-	-	105,204
EQRA (MoE)	P159378	138,036	14,644	526	152,154
EQRA (MRRD) CDC Grant	P159378	166,998	-	-	166,998

PROJECT	PROJECT ID	OUTSTANDING QUESTIONABLE TRANSACTIONS (QTS) AT AUGUST 15, 2021	ADDITIONAL QTS REPORTED SINCE AUGUST 15, 2021, ARISING FROM COMMITMENT REVIEWS	QTS RESOLVED SINCE AUGUST 15, 2021	OUTSTANDING QTS AT DECEMBER 31, 2022
EQRA (MRRD) OpEx	P159378	1,991	-	-	1,991
EZ-Kar (IDLG) Component 2	P166127	22,587	-	-	22,587
EZ-Kar (IDLG) Component 3	P166127	-	-	-	-
EZ-Kar (KM)	P166127	10,416	-	-	10,416
EZ-Kar (MoEc)	P166127	314	-	-	314
EZ-Kar (MoFA)	P166127	-	-	-	-
FSP	P159655	40,275	-	-	40,275
HEP	P162022	-	-	-	-
Higher Education Development Project (HEDP)	P146184	5,113	-	2,890	2,223
Irrigation Restoration and Development Project (IRDP)	P122235	-	-	-	-
Kabul Urban Transport Efficiency Improvement (KUTEI)	P131864	-	-	-	-
KMDP	P125597	3,273	-	-	3,273
MASOB	P161348	36,216	-	-	36,216
Mazar Gas	P157827	250	-	-	250
National Horticulture and Livestock Productivity (NHLP) Final	P143841	-	-	-	-
NHRP	P132944	-	-	-	-
OMAID	P168179	14,229	-	-	14,229
PAISA (MoF)	P168266	-	998	-	998
Payments Automation and Integration of Salaries in Afghanistan (PAISA) (DAB)	P168266	-	-	-	-
PPIAP	P158768	663	-	-	663
REACH - IDLG (OpEx)	P174119	-	-	-	-
REACH - IDLG(Grants)	P174119	92,422	-	-	92,422
REACH - KM	P174119	-	-	-	-
REACH - MRRD (Grants)	P174119	128,245	-	-	128,245
REACH - MRRD (OPEX)	P174119	-	-	-	-
Sehatmandi	P160615	2,275,037	29,061	790,462	1,513,636
TAGHIR	P166978	5,654	-	-	5,654
THRCP	P145347	180,437	-	-	180,437
Urban Development Support Project (UDSP)	P147147	-	-	-	-
WEE-NPP	P147147	-	-	-	-
WEE-RDP	P164443	578,132	-	-	578,132

# Annex 4: Service Provider Invoice Cover Letters Issued in 2022

All figures in this annex are in US Dollars.

#	PROVINCE	SERVICE PROVIDER	AMOUNT INVOICED	AMOUNT CERTIFIED	CERTIFIED AS % OF INVOICED AMOUNT
1	Herat	AADA	2,354,267	2,344,739	100%
2	Zabul	AADA	610,081	607,179	100%
3	Badghis	MMRCA (National)	334,596	333,781	100%
4	Ghazni	AADA	869,306	857,553	99%
5	Kunduz	JACK	910,332	881,450	97%
6	Paktia	HEWAD/ NAC	267,045	259,273	97%
7	Daikundi	MOVE	470,412	448,678	95%
8	Nengarhar	AADA	848,653	799,257	94%
9		Covid-19 TPM	601,979.00	545,891.00	91%
10	Bamyan	AKF	442,001	391,391	89%
11	Konar	HN-TPO/ ORCD	433,330	386,758	89%
12	Helmand	BRAC	339,864	296,555	87%
13		WHO	1,670,450.00	1,433,111.00	86%
14	Kabul	SDO	221,471	190,358	86%
15	Paktika	OHPM	491,572	416,360	85%
16	Nimroz	MRCA	156,281	133,107	85%
17	Kandahar	BARAN	1,135,596	952,365	84%
18	Badakhshan	AKF	588,167	481,614	82%
19	Takhar	BDN	502,424	407,004	81%
20	Sarepol	SAF	304,130	246,181	81%
21	Urozgan	SHDP	76,303	60,785	80%
22	Nooristan	AHEAD	206,939	159,911	77%
23	Jawzjan	SAF	456,465	343,590	75%
24	Kabul (AJH)	HN-TPO	800,205	593,418	74%
25	Khost	OHPM	553,406	400,081	72%
26	Laghman	HN-TPO	483,639	344,935	71%
27	Balkh	BDN	900,345	599,806	67%
28	Samangan	AHEAD	664,663	445,323	67%
29	Ghor	CHA	546,215	317,637	58%
30	Logar	CAF	415,736	240,512	58%
31	Faryab	SDO	237,531	128,565	54%

#	PROVINCE	SERVICE PROVIDER	AMOUNT INVOICED	AMOUNT CERTIFIED	CERTIFIED AS % OF INVOICED AMOUNT
32	Wardak	SCA	562,470	277,753	49%
33	Farah	MRCA	299,333	137,264	46%
34	Baghlan	BDN	668,631	298,845	45%
35	Parwan, Kapisa, Panjshir	SCA	1,215,823	428,895	35%
36	Kabul (AJH)	CAF	830,504	240,646	29%

# Annex 5: Facilitating Partner Invoice Cover Letters Issued in 2022

All figures in this annex are in US Dollars.

#	PROJECT	FACILITATING PARTNER (FP)	AMOUNT INVOICED BY FPS	AMOUNT CERTIFIED BY MONITORING AGENT	CERTIFIED AS % OF INVOICED AMOUNT
1	CCAP/MRRD	AKDN	1,244,764	1,244,764	100%
2	CCAP/MRRD	AKDN	982,400	982,400	100%
3	CCAP/MRRD	BRAC	872,410	872,410	100%
4	CCAP/MRRD	Afghanaid	834,613	834,613	100%
5	CCAP/MRRD	ACTED	640,167	640,167	100%
6	CCAP/MRRD	ACTED	459,195	459,195	100%
7	CCAP/MRRD	NPO/ RRAA	449,305	449,305	100%
8	CCAP/IDLG	HRDA	298,886	298,662	100%
9	CCAP/IDLG	HRDA	285,479	285,479	100%
10	CCAP/MRRD	CHA	241,673	241,673	100%
11	REACH/IDLG	BRAC	211,020	211,020	100%
12	REACH/MRRD	ACTED	147,752	147,752	100%
13	REACH/MRRD	CHA	85,874	85,874	100%
14	REACH/MRRD	AKF	76,154	76,154	100%
15	CCAP/IDLG	ACTED	74,885	74,885	100%
16	CCAP/MRRD	TAF	68,456	68,456	100%
17	REACH/MRRD	ACTED	62,975	62,975	100%
18	REACH/IDLG	ACTED	59,763	59,763	100%
19	REACH/IDLG	AKF	53,442	53,442	100%
20	REACH/MRRD	NPO/ RRAA	49,295	49,295	100%
21	REACH/MRRD	NPO/ RRAA	14,070	14,070	100%
22	CCAP/MRRD	CARE	1,762,425	1,746,153	99%
23	CCAP/MRRD	AHDS	312,203	309,946	99%
24	CCAP/IDLG	FGA	211,317	208,315	99%
25	CCAP/MRRD	AKDN	945,687	926,345	98%
26	EZKAR/IDLG	ANRCC	418,387	408,683	98%
27	CCAP/IDLG	FGA	150,084	146,869	98%
28	CCAP/MRRD	CHA	1,730,434	1,681,042	97%
29	CCAP/MRRD	DACAAR	457,595	438,727	96%
30	REACH/MRRD	AKF	267,400	255,360	95%
31	EZKAR/IDLG	SDO	93,130	88,785	95%
32	REACH/MRRD	AKF	624,440	580,355	93%

#	PROJECT	FACILITATING PARTNER (FP)	AMOUNT INVOICED BY FPS	AMOUNT CERTIFIED BY MONITORING AGENT	CERTIFIED AS % OF INVOICED AMOUNT
33	WEERDP/MRRD	AKF	375,905	350,341	93%
34	REACH/MRRD	CHA	322,165	287,464	89%
35	REACH/IDLG	ACTED	110,581	98,294	89%
36	EZKAR/IDLG	ACTED	64,865	57,633	89%
37	WEERDP/MRRD	FGA	1,182,795	1,045,609	88%
38	REACH/IDLG	HRDA	276,929	240,808	87%
39	REACH/IDLG	ORCD	140,906	123,038	87%
40	REACH/MRRD	DACAAR	236,033	202,938	86%
41	REACH/MRRD	SDO	19,159	16,410	86%
42	REACH/MRRD	CHA	148,323	121,057	82%
43	EZKAR/IDLG	ORCD	149,318	120,813	81%
44	CCAP/IDLG	CHA	140,111	110,258	79%
45	EZKAR/IDLG	ACTED	91,935	71,379	78%
46	WEERDP/MRRD	BWHC	552,936	414,304	75%
47	WEERDP/MRRD	CHA	788,548	580,971	74%
48	WEERDP/MRRD	CoAR	1,086,334	745,702	69%
49	REACH/IDLG	ACTED	537,871	358,580	67%
50	CCAP/IDLG	RRAA	111,692	74,462	67%
51	REACH/IDLG	CHA	435,159	286,760	66%
52	CCAP/IDLG	ACTED	115,037	68,329	59%
53	REACH/KM	CoAR	1,114,082	556,777	50%
54	REACH/KM	SDO	745,390	364,860	49%
55	REACH/KM	ADA	951,449	455,875	48%
56	WEERDP/MRRD	ADA	232,503	112,246	48%
57	REACH/KM	WADAN	776,386	358,097	46%
58	EZKAR/IDLG	CoAR	363,630	161,816	45%
59	CCAP/IDLG	EPD	78,994	31,585	40%
60	CCAP/IDLG	DSK	179,503	60,078	33%

# Annex 6: Statements of Cash Receipts and Payments Cover Letters Issued in 2022

All figures in this annex are in US Dollars.

PROJECT	TOTAL PAYMENTS REPORTED IN THE STATEMENTS OF CASH RECEIPTS AND PAYMENTS (SCRP)	TOTAL PAYMENTS REVIEWED BY THE MONITORING AGENT (MA)	% OF TOTAL PAYMENTS REVIEWED BY THE MA	FINANCIAL FINDINGS	FINANCIAL FINDINGS AS A PERCENTAGE OF BALANCE PER SCRIP
CASA-1000	70,049,074	69,997,608	100%	119,545	0.17%
TAGHIR	10,710,243	10,705,664	100%	-	0.00%
DABS- PCS	1,986,928	1,986,928	100%	-	0.00%
ALASP	1,441,913	1,438,563	100%	-	0.00%
AGASP	1,368,777	1,366,487	100%	-	0.00%
Digital CASA project	907,362	906,879	100%	-	0.00%
Financial Sector Rapid Response Project (FSRRP)	762,120	762,120	100%	-	0.00%
Mazar Gas	611,833	611,833	100%	-	0.00%
ASGRP	277,896	277,896	100%	-	0.00%
WEE-NPP	219,013	219,013	100%	-	0.00%
EATS	130,309	130,309	100%	-	0.00%
PAISA	14,863	14,863	100%	-	0.00%
ERHSPP	43,266,073	43,000,477	99%	-	0.00%
ARAP	16,524,779	16,407,707	99%	-	0.00%
EQRA	15,695,511	15,490,102	99%	-	0.00%
THRCP	11,360,302	11,262,620	99%	-	0.00%
A2F	6,724,006	6,673,125	99%	-	0.00%
MASOB	4,092,002	4,066,494	99%	-	0.00%
PPPAIP	1,871,683	1,860,795	99%	-	0.00%
CIP	3,133,984	3,080,243	98%	25,805	0.82%
EZ KAR	2,725,171	2,667,088	98%	-	0.00%
Agro-Water and Climate Resilience Project (AWCRP)	592,528	581,558	98%	-	0.00%
OMAID	92,201	90,510	98%	-	0.00%
HEP	6,966,004	6,608,209	95%	-	0.00%
UDSP	6,273,932	5,945,328	95%	-	0.00%



PROJECT	TOTAL PAYMENTS REPORTED IN THE STATEMENTS OF CASH RECEIPTS AND PAYMENTS (SCRP)	TOTAL PAYMENTS REVIEWED BY THE MONITORING AGENT (MA)	% OF TOTAL PAYMENTS REVIEWED BY THE MA	FINANCIAL FINDINGS	FINANCIAL FINDINGS AS A PERCENTAGE OF BALANCE PER SCRП
KUTEI	6,066,943	5,702,370	94%	-	0.00%
On-Farm Water Management Project (OFWMP)	1,185,415	1,117,725	94%		0.00%
HEDP	7,012,354	6,448,948	92%	23,507	0.34%
FSP	8,471,128	7,745,929	91%	101	0.00%
KMDP	7,071,656	6,423,869	91%	765,219	10.82%
CASA CSP	7,337,761	6,464,308	88%	-	0.00%
NHRP	1,394,770	1,130,035	81%	-	0.00%
Afghanistan Agricultural Inputs (AAIP) <sup>20</sup>	-	-	0%	-	0.00%
REACH <sup>21</sup>	27,455	-	0%	-	0.00%

20 There were no transactions in the financial year 1399 as the project was closed effective 30 October 2019. The SCRП prepared as the DA account not yet closed and to recognize the closing balance (USD 2,038) in DA.

21 The payments reported in the SCRП relate to petty cash disbursements that remained unutilized at the year end. There were no project-related disbursements in AF 1399. Hence there were no expenditure to be reviewed.

# Annex 7: Projects' Banking Transactions, as at December 31, 2022

This annex presents the findings of our reviews of projects' banking transactions made after August 15, 2021. Our review period ended on December 31, 2022.

PROJECTS	PROJECT ID	DESIGNATED ACCOUNT NO.	CURRENCY	BANK BALANCE AT AUG 15, 2021	DEPOSITS SINCE AUGUST 15, 2021	BANK BALANCE AT DECEMBER 31, 2022
A2F	P128048	27538	USD	269,907	-	269,907
AAIP	P120397	27497	USD	2,038	-	2,038
AGASP	P172109	27742	USD	2,769,943	-	2,769,943
ALASP	P164762	27734	USD	3,839,640	857	3,840,497
ARAP	P125961	27467	USD	791,947	-	791,947
ARAP	P125961	27470	USD	22	-	22
ARAP	P125961	27512	USD	13,285	-	13,285
ARAP	P125961	27563	USD	2,543,136	-	2,543,136
ASDPII	P132742	27485	USD	207,362	-	207,362
ASDPII	P132742	27686	USD	2,588,908	-	2,588,908
ASGRP	P160606	27665	USD	-	-	-
AWASH	P169970	27778	USD	4,981,671	-	4,981,671
AWRCP	P170906	27756	USD	-	-	-
CASA 1000	P145054	27674	USD	275,941	-	275,941
CASA CSP	P149410	27621	USD	6,609,036	-	6,609,036
CASA CSP	P149410	27787	USD	9,999,975	-	9,999,975
CCAP	P160567	27610	USD	134,830	-	134,830
CCAP	P160567	27611	USD	12,181,059	-	12,181,059
CCAP	P160567	27624	USD	729,029	-	729,029
CCAP	P160567	27661	USD	6,836,483	-	6,836,483
CCAP	P160567	27750	USD	2,702,293	-	2,702,293
CCAP	P160567	27751	USD	4,651,756	-	4,651,756
CCAP	P160567	27752	USD	217,159	-	217,159
CCAP	P160567	27753	USD	4,730,898	-	4,730,898
CCAP	P160567	27774	USD	4,999,975	-	4,999,975
CIP	P160619	27718	USD	1,824,266	-	1,824,266
Covid-19 ERHSSP	P173775	27749	USD	7,027,328	2,829	7,030,157
Covid-19 REACH	P174119	27762	USD	4,496,797	-	4,496,797

PROJECTS	PROJECT ID	DESIGNATED ACCOUNT NO.	CURRENCY	BANK BALANCE AT AUG 15, 2021	DEPOSITS SINCE AUGUST 15, 2021	BANK BALANCE AT DECEMBER 31, 2022
Covid-19 REACH	P174119	27763	USD	5,042,677	-	5,042,677
Covid-19 REACH	P174119	27764	USD	58,925	-	58,925
DABS PCS	P131228	27589	USD	-	-	-
Digital CASA	P156894	27710	USD	1,001,030	282	1,001,312
EATS	P174348	27767	USD	3,653,022	9,734	3,662,756
EQRA	P159378	27689	USD	-	-	-
EQRA	P159378	27698	USD	15,862	-	15,862
EQRA	P159378	27706	USD	898,901	-	898,901
EQRA	P159378	27707	USD	706,808	101,813	808,621
EQRA	P159378	27721	USD	3,066	-	3,066
EQRA	P159378	27722	USD	4,389,707	119,806	4,509,513
EQRA	P159378	27744	USD	880,983	799	881,782
EZ-Kar (IDLG C2)	P166127	27717	USD	11,558,402	-	11,558,402
EZ-Kar (IDLG C3)	P166127	27723	USD	509,175	-	509,175
EZ-Kar (KM)	P166127	27724	USD	1,606,605	-	1,606,605
EZ-Kar (MoEC)	P166127	27719	USD	401,104	4,443	405,547
EZ-Kar (MoFA)	P166127	27716	USD	780,633	80,650	861,283
FSP	P159655	27669	USD	140,083	-	140,083
FSP	P159655	27670	USD	8,386,781	-	8,386,781
HEDP	P146184	27573	USD	482,425	-	482,425
HEDP	P146184	27585	USD	63,459	-	63,459
HEP	P162022	27660	USD	3,214,274	-	3,214,274
IRDP	P122235	27408	USD	862,889	-	862,889
IRDP	P122235	27457	USD	2,391,595	-	2,391,595
KMDP	P125597	27475	USD	38,208	-	38,208
KUTEI	P131864	27465	USD	-	-	-
MASOB	P161348	27688	USD	1,168,137	117	1,168,254
Mazar Gas	P157827	27663	USD	1,388,167	-	1,388,167
NHLP	P143841	27477	USD	26,543	-	26,543
NHRP	P132944	27579	USD	1,494,122	-	1,494,122
OFWMP	P120398	27409	USD	84,022	-	84,022
OMAID	P168179	27732	USD	372,574	-	372,574
PAISA	P168266	27740	USD	2,428,878	-	2,428,878
PAISA	P168266	27741	USD	2,483,341	2,242	2,485,583
PPIAP	P158768	27696	USD	661,034	-	661,034
PPIAP	P158768	27697	USD	264,701	-	264,701
Sehatmandi	P160615	27681	USD	98,183	-	98,183
Sehatmandi	P160615	27682	USD	58,478	-	58,478

PROJECTS	PROJECT ID	DESIGNATED ACCOUNT NO.	CURRENCY	BANK BALANCE AT AUG 15, 2021	DEPOSITS SINCE AUGUST 15, 2021	BANK BALANCE AT DECEMBER 31, 2022
Sehatmandi	P160615	27683	USD	2,749,844	336,962	3,086,806
TAGHIR	P166978	27714	USD	2,553,101	-	2,553,101
THRCP	P145347	27570	USD	7,254,036	-	7,254,036
UDSP	P147147	27662	USD	-	-	-
WEE-NPP	P163267	27616	USD	41,151	-	41,151
WEE-RDP	P164443	27700	USD	3,676,974	142,524	3,819,498
WEE-RDP	P164443	27705	USD	3,356,652	-	3,356,652
<b>Total for DA (USD)</b>				<b>162,671,236</b>	<b>803,058</b>	<b>163,474,294</b>
CCAP	P160567	9789 (AFN)	AFN	2,258,792,070	-	2,258,792,070
CCAP	P160567	9790 (AFN)	AFN	-	-	-
Covid-19 REACH	P174119	9815 (AFN)	AFN	1,006,399,472	-	1,006,399,472
Covid-19 REACH	P174119	9816 (AFN)	AFN	3422116000	-	3422116000
Covid-19 REACH	P174119	9817 (AFN)	AFN	3,080,000,000	-	3,080,000,000
EATS	P174348	9813 (AFN)	AFN	219,199,173	280689	219,479,862
EQRA	P159378	9804 (AFN)	AFN	8,519,673	-	8,519,673
<b>Total for CA (AFN)</b>				<b>9,995,026,388</b>	<b>280,689</b>	<b>9,995,307,077</b>
NHLP	P143841	9792 (AFN)	AFN	25,545,908	-	25,545,908
<b>Total for FCA (AFN)</b>				<b>25,545,908</b>		<b>25,545,908</b>

# Annex 8: Central Asia - South Asia Electricity Transmission and Trade 1000 project

## Introduction

### CASA-1000 monitoring activities

Engineering assessments to determine physical progress, compliance with design, engineering best practice, project management, and environmental and social safeguards.

The Central Asia - South Asia Electricity Transmission and Trade 1000 (CASA-1000) project is a renewable energy infrastructure construction project to supply surplus electricity from Tajikistan and Kyrgyzstan to Afghanistan and Pakistan. The project is intended to benefit households and businesses in Afghanistan and Pakistan mainly during the summer months when the demand for power for cooling purposes is high, and when Kyrgyzstan and Tajikistan have surplus power. The revenues generated for Kyrgyzstan and Tajikistan will in turn be invested in energy solutions to address their winter energy deficits. Sustainability is ensured through commercial framework agreements, Operations & Maintenance (O&M) contracts for capacity development of national transmission companies, and implementation of community support programs. An Inter-Governmental Council (IGC) with representatives from all four countries and a related Secretariat were created with responsibility for project implementation.

The project comprises two components:

**Component A - High-Voltage Transmission Infrastructure.** This component has four sub-components:

1. Construction of a high-voltage direct current (HVDC) transmission line to interconnect the electricity networks of Tajikistan and Pakistan.
2. Design, construction, and commissioning of three HVDC converter stations in Tajikistan, Afghanistan, and Pakistan to convert alternating current to direct current and vice versa.
3. Construction of a high-voltage AC transmission (HVAC) interconnection between the Kyrgyzstan and Tajikistan.
4. Tajikistan grid reinforcement to ensure transfer of surplus power.

**Component B - Technical Assistance and Project Implementation Support,** with seven sub-components:

1. Provision of engineering consultancy services, including for third party monitoring and supervision during construction.
2. Environmental and social management support.
3. Audits, financial and revenue management.
4. Project management support.
5. Coordination, including support to strengthen the IGC Secretariat, which will be coordinating all multi-country aspects of the project.

6. Project communication.
7. Capacity building that aims to strengthen the institutional capacity of the project implementing agencies.

The related Central Asia - South Asia Community Support Project (CASA CSP) was implemented in tandem with CASA-1000, intended to create a more supportive environment for CASA-1000 project implementation by improving livelihoods among approximately 670 largely impoverished communities living along the CASA-1000 corridor. Annex 11 provides more information about this project.

## Monitoring activities

From February 19, 2022, to March 8, 2022, our engineers made visits to 166 locations, covering 208 out of 766 completed foundations for transmission towers, 177 out of 343 erected towers, and five out of seven site warehouses. These visits were in 104 villages across 26 districts and seven provinces. Our task focused on assessing infrastructure, materials and equipment supply, and land acquisition.

We monitored three lots on a sample basis. Lot 1 was implemented by Kalpataru Power Transmission Limited in Kunduz and Baghlan provinces and was fully subcontracted to Gulistan Hewad Road and Construction Company, an Afghan construction firm. Lots 2 and 3 were implemented by KEC International Ltd in Baghlan, Panjshir, Kapisa, Kabul, Laghman, and Nangarhar provinces and were also subcontracted, although we were unable to obtain any subcontract details. Project supervision and management services were provided by CESI Italy JV WAPCOS India. Figure 1 shows an overview of the monitoring activities.

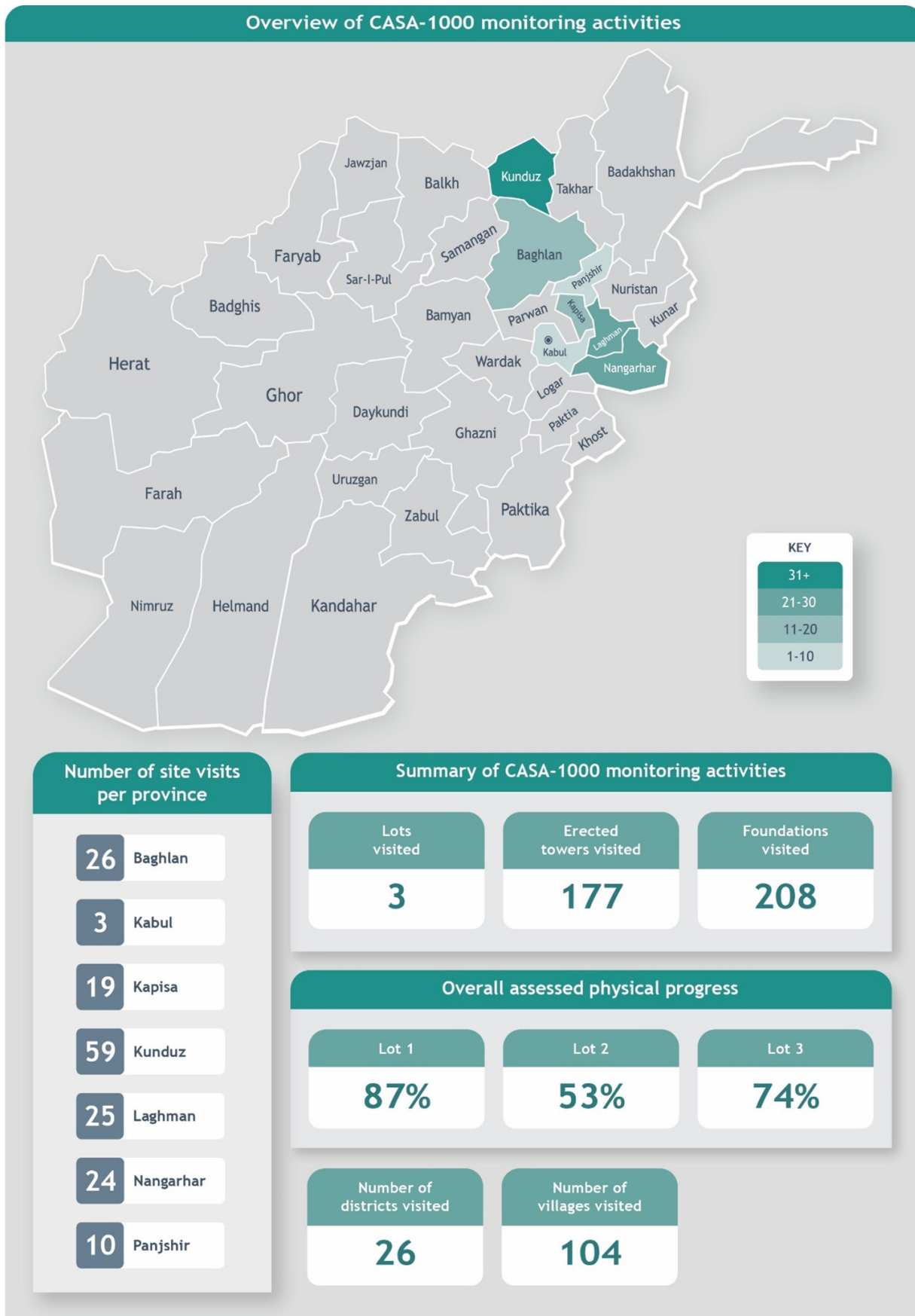
## Status

Infrastructure work was suspended in all three lots after August 2021. Contractors do not currently maintain an active presence at any of the site camps, except for the use of storekeepers and security guards, and there are no workers on site.

We assessed the overall physical progress for Lot 1 as 87%, for Lot 2 as 53%, and for Lot 3 as 74%. The physical progress calculation accounts for the supply of materials and equipment, actual work on foundations and towers, transmission lines, and safety features.

Our inspections found that none of the 177 erected towers had protection measures in place, such as anti-climbing equipment, danger and safety warning plates and, in some cases, aviation lights. At the time, the contractors' engineers explained that they intended to install safety and protection measures once all other aspects of the work had been completed.

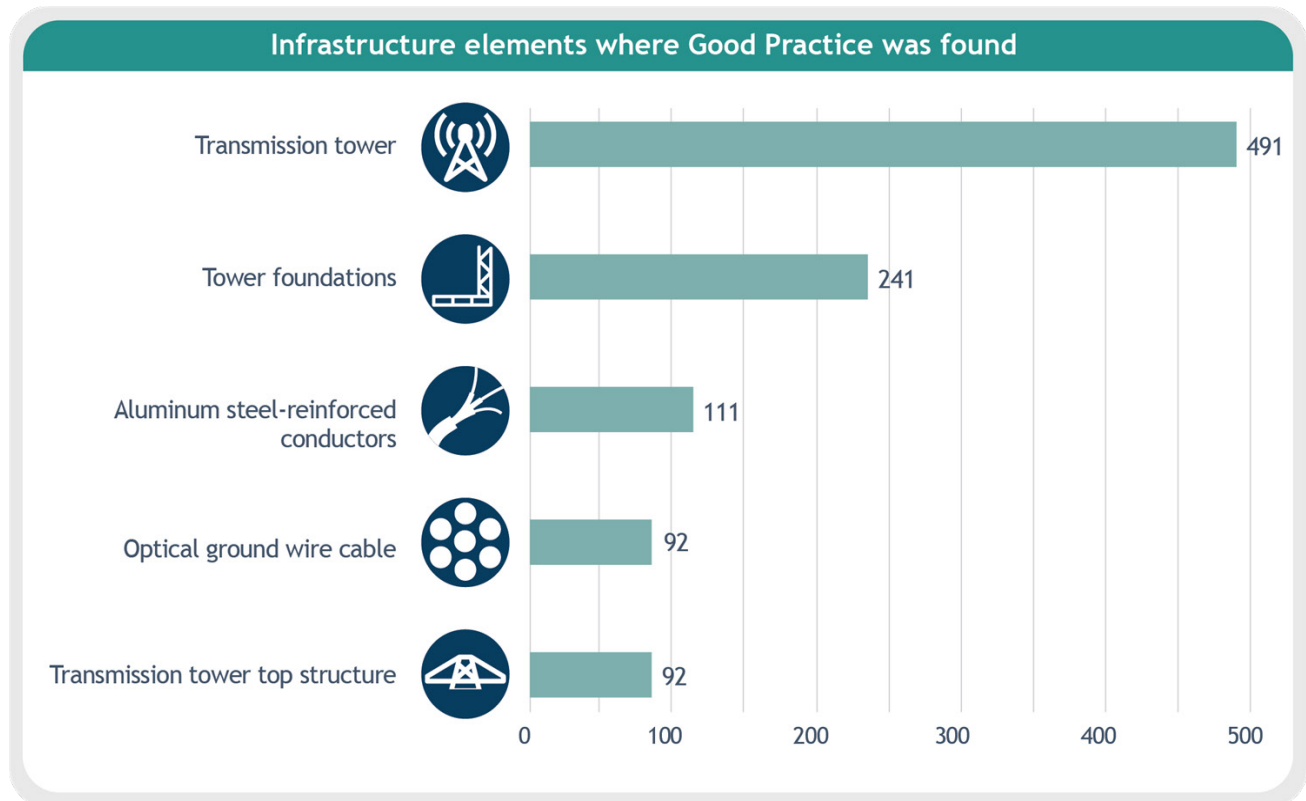
Figure 1: Overview of CASA-1000 monitoring activities



## Observations and Good Practice

During their 166 location visits, our engineers made 4,767 observations, of which 1,027 (22%) were instances of Good Practice. Most examples of Good Practice were found in relation to transmission towers, including in workmanship and fittings, overall size and shape, and materials used.

Figure 2: Infrastructure elements where Good Practice was evidenced

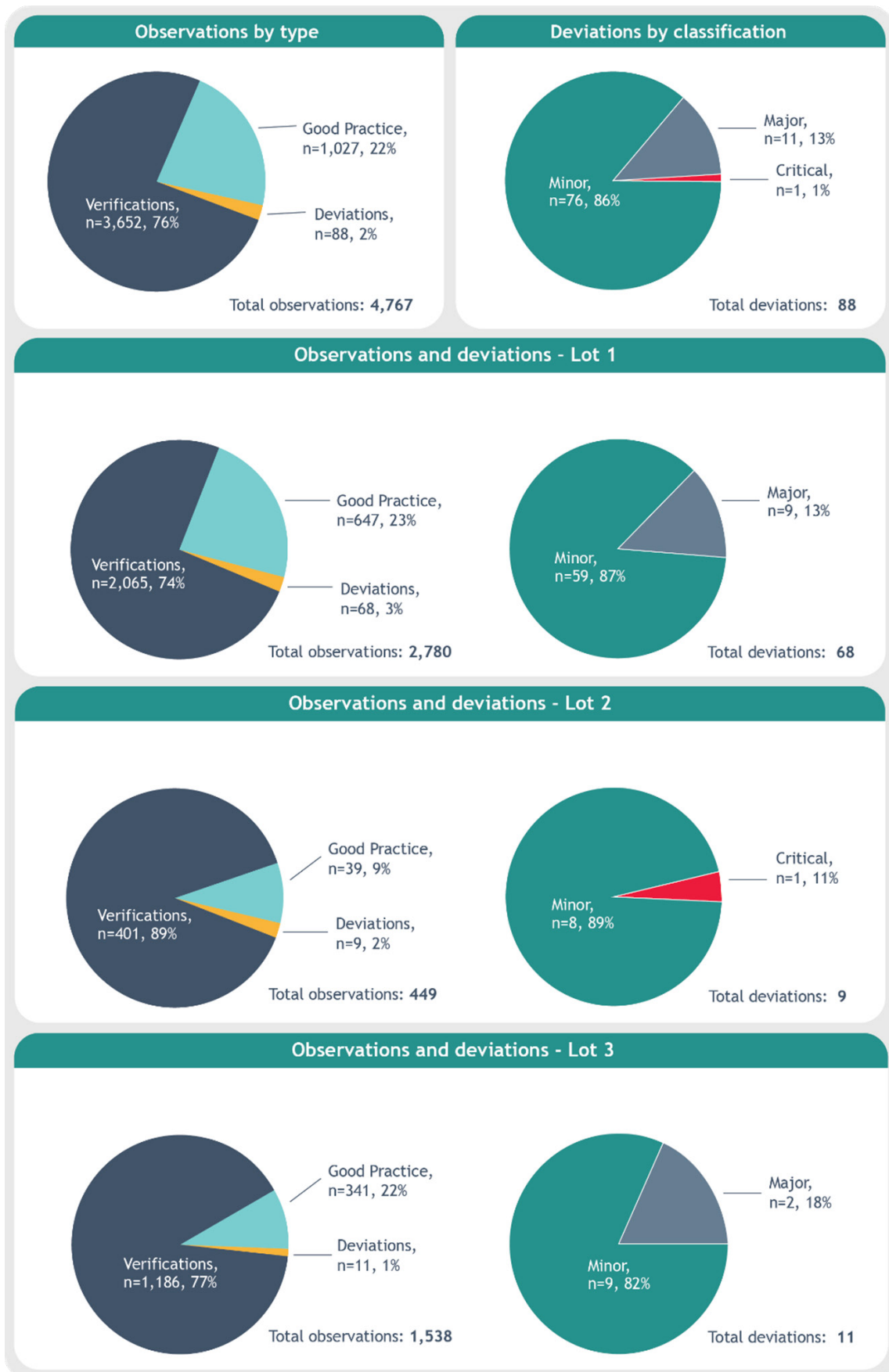


Most of our observations were made in Lot 1 (2,780) with 1,538 in Lot 3 and 449 in Lot 2.

In terms of main findings, our engineers identified four sites (two each in Kunduz and Kapisa) with negative infrastructure-related findings resulting from the lack of on-site safety procedures, a failure to follow design specifications, poor workmanship, or poor site selection. We attribute these to inadequate contractor supervision. Our engineers identified that the lack of a consistent follow-up mechanism had resulted in a number of recorded shortcomings ('deviations').



Figure 3: Disaggregation of project observations and deviations for CASA-1000



## Deviations

Our engineers identified 88 deviations, 2% percent of all observations made. A large majority were Minor (86%, n=76), with 13% Major (n=11) and one Critical deviation, relating to backfilling to the foundations of one tower in Kapisa province not having been completed, posing a safety issue for community members and animals.

Six of the Major deviations related to damaged conductors, broken insulator discs, and the location of transmission towers or foundations (in one instance in Baghlan province, two towers were built on a local road, requiring relocation of one or the other). These and the other Major deviations were identified as arising from inadequate contractor supervision.

Most of the Minor deviations related to the quality of materials used (n=37) and workmanship (n=30). These include issues such as damaged backfilling or using wooden rods in the concrete of the tower foundations, demonstrating a lack of adherence to agreed engineering specifications.

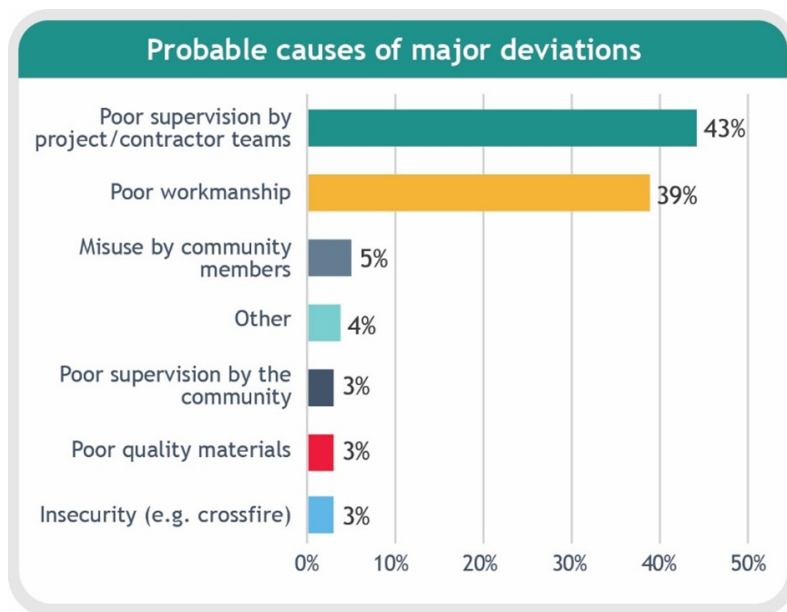
Our engineers also observed instances where farmers were growing crops under the towers, and others where the contractor had not yet installed tower protection measures (the contractor claimed they would do so at a later stage). These were not recorded as deviations because they were at the time outside the control of the project, and there were plans to mitigate any risks.

Figure 4: Deviations by aspect and classification

Deviations by aspects and classification				
Aspect	 Materials	 Workmanship	 Project management	 Social Safeguards
Minor	37	30	8	1
Major	6	1	3	1
Critical	0	0	1	0
<b>Total</b>	<b>43</b>	<b>31</b>	<b>12</b>	<b>2</b>

Our engineers provide estimates of the cost of rectifying the cost of deviations identified (USD 12,655), intended to assist the project team in developing solutions to issues found.

Figure 5: Probable causes of Major deviations



## Equipment and materials in warehouses

The contractors visited five out of seven warehouses, three out of four in Lot 1, one in Lot 2, and one of two in Lot 3, listing the equipment and materials in each. In Kunduz, the warehouse had closed after August 2021, and the supplies transferred to another.

The Lot 1 contractor reported that in June 2021, a warehouse in Kunduz city center had caught fire when hit by a mortar. Our engineers observed partial damage to the warehouse and contents, but we were not able to establish the value of any assets lost. There was no visible damage to nearby houses.

## Construction materials testing

For Lots 2 and 3, we were able to verify test results and documentation showing that contractors had carried out a total of 5,161 agreed tests at 197 out of 199 towers and foundations<sup>22</sup>, all of which had satisfied requirements. We were unable to verify documentation at two locations in Kabul province.

## Documentation

Overall, documentation was available for verification at two-thirds (67%) of the 166 locations we visited. Where reported as unavailable, contractors most often stated that documents were stored elsewhere. O&M Plans were not available at any sites because construction was not complete, nor had Da Afghanistan Breshna Sherkat (DABS) at the time contracted any service providers for O&M.

Among other issues, our engineers found that the Lot 1 contractor had received installment payments on time, while the project manager reported that payment requests for Lots 2 and 3 had often been delayed, with one invoice held up for about a year, attributed to the DABS Project Management Unit finance team. We were unable to substantiate this through documentation. Project staff reported that they had received their full salaries on time, as did other employees, such as security guards, administration staff, technicians, and engineers.

<sup>22</sup> 199 is the combined total of erected towers and foundations visited in lots 2 and 3, corresponding to 83 out of the 166 location visits engineers made.

## Social Safeguards

Our engineers conducted on-site interviews with contractor staff and found that, on average, 83% (n=318) of site camps at the visited towers or foundations had adequate accommodation. The engineers assessed the adequacy of accommodation in Lots 2 and 3 at 88% in Lot 2 and 100% in Lot 3, compared to 67% in Lot 1. Interviewees usually cited the suspension of work since August 2021 as the reason for the lack of a site camp or inadequate accommodation at existing site camps.

Written contracts/agreements between workers and contractors were available for all sites across the three lots, with workers and contractors' staff having accepted the terms and conditions of the contracts.

## Occupational health and safety management

Workers had received environmental health and safety training at all 385 visited towers and foundations, as well as First Aid training at all sites in Lots 2 and 3 and at two-thirds of sites in Lot 1. However, First Aid kits were available at all sites in Lot 1, but at no sites in Lots 2 and 3, although, conversely, an incident reporting system was in place for almost all (99%) sites in Lots 2 and 3, but not at any Lot 1 sites.

Two of the contractor's employees were shot in September 2020 by unknown armed men in Deh Salah district, Baghlan province (Lot 2). One died on the way to hospital, but the other recovered fully. The contractor's staff reported that both employees' families had received compensation payments.

In early August 2021, fighting between then-government forces and the Taliban at one location in Baghlan province had damaged an excavator and a water tank, but at the time of their visit, engineers reported that there were no reports of landmines or unexploded ordnance within one kilometer of any of the construction locations.

## Crossing transmission lines

Engineers found transmission lines crossed district or provincial roads at 53 towers: 32 in Lot 1 (17%), two in Lot 2 (4%), 19 in Lot 3 (13%). In all cases, there was sufficient clearance. Overall, the average height of the conductor from the road surface was estimated at 20m, against a specified 14.65m required clearance.

Transmission lines at 35 towers or foundations were expected to cross a total of 330 houses (one in Lot 1, two in Lot 2, and 327 in Lot 3). Here, the average clearance was estimated at 19m against a specified 12.65m clearance. Our engineers identified five towers (two in Laghman, three in Nangarhar) that crossed both a public road and residential houses.

Transmission lines at twelve towers (ten in Lot 1, two in Lot 3) crossed a river or canal. Here, the average height of the transmission lines from the water surface was estimated at 33m against a 12.65m clearance specification. Of 32 transmission towers located near villages or houses (six in Lot 1, 26 in Lot 3) would be located near villages and residential houses, the average distance was 44m against a 12.65m specification.

Transmission lines at 14 locations (two in Lot 1, three in Lot 2, nine in Lot 3) were located near an asphalt road, at an average distance of 26m.

## Environmental Safeguards

Our engineers did not report any negative environmental impacts from any of the 166 locations monitored. At 30 erected towers monitored in Lot 3 through twelve location visits quarries were needed but our engineers did not find that any had caused significant damage to the environment.

At four towers or foundations monitored in Lot 1 through two location visits, the transportation of construction materials had damaged agricultural land, with farmers unable to cultivate or harvest crops for two years. At the time of our visits, although contractors had informed those affected that they would receive financial compensation, none had done so.

For 69 out of the 166 locations we visited, trees were scheduled to be cut down (23 in Lot 1, 15 in Lot 2, 31 in Lot 3). From these 69, we found 21 trees had been cut at 14 locations (all in Baghlan): 15 trees at 14 locations in Lot 1, and six trees at one location in Lot 2. However, the contractors had not yet replanted any trees, nor did they have plans to do so.

## Land acquisition

The contractors had acquired land for all 385 towers and foundations visited: 186 towers in Lot 1, 51 towers in Lot 2, and 148 towers in Lot 3. Most of the land acquired was government-owned under the Republic land (82%, n=317), with the balance purchased from private owners (18%, n=68). Land clearance documents covering the transfer of government land were available for 92% (n=291) of all erected towers and foundations: 81% (n=101) in Lot 1, 100% (n=45) in Lot 2, and 98% (n=145) in Lot 3. For 18 towers or foundations, contractors cited the change of government as the reason why no land acquisition documents were available; and for eight other towers or foundations reported that these documents were kept at the DABS office in Kabul. Clearance, pricing, and land acquisition documents were not available for any of the 68 towers constructed on private land.

## Affected households

As a result of land acquisition, 117 households had lost some or all of their land and/or housing: 90% (n=105) of these were in Lot 1, 3% (n=4) in Lot 2, and 7% (n=8) in Lot 3. No businesses reported being affected. The 117 affected households were in 55 locations; in 50 locations, contractors had purchased private land, and in five locations, government land. While in Lots 1 and 2 the impact on households came from the purchase of private land, in Lot 3 it arose from the loss of access to government land by private users. Many affected households were in Baghlan, due to the proximity of transmission lines to residential areas.

Affected households had not received any compensation before the contractors obtained land and began construction. According to a contractor's representative, the Land Acquisition Department of the Afghanistan Land Authority was in the process of completing land acquisition documentation and would process compensation in coordination with DABS and the Ministry of Finance once the required documentation had been completed. This process had been delayed by the change of government and it was unclear how long the process would take, or even if households would still receive compensation.

## Community complaints

Contractors recorded a total of 43 complaints from affected households and community members: 14 from Lot 1 and 29 from Lot 3. Of these, 37 related to questions of land ownership, 23 to disagreements between the community and DABS as to whether land was owned privately or by the government, and 14 to disagreements about land ownership between community members. Four complaints related to non-receipt of compensation, and another two were requests for communities to receive electricity instead of development projects. The contractor had referred all the complaints received to DABS, but there was no information as to whether any complaints had been resolved, or if there was a timescale for doing so.

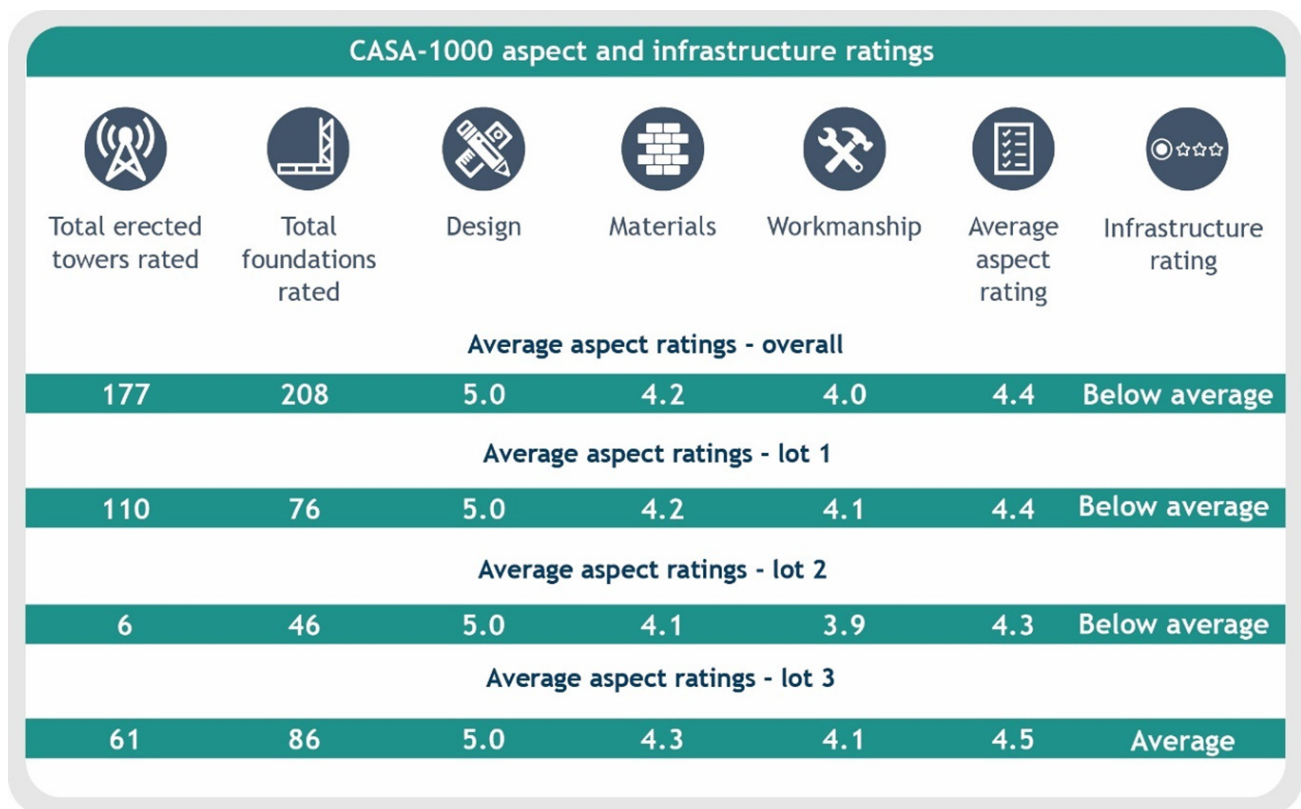
## Grievance management for workers

All workers in Lots 2 and 3 had received grievance management training, but none in Lot 1 as the contractor did not consider this to be their responsibility. No information about how to register a complaint about the project, or a system for recording complaints, was available at any of the 385 towers or foundations, although at 273 towers or foundations (71%), respondents explained that a logbook did exist but was located elsewhere. For the remaining 112 towers or foundations (29%), the contractor was unaware of the need to register complaints, they had not received a complaints logbook or established an online system.

## Aspect and project ratings

Our engineers rated the following key infrastructure aspects: quality and applicability of design, quality of materials used, workmanship, and general O&M, with a score of 5 being Very Good and a score below 0.99 Very Poor. The aspect ratings for all lots were between 4.3 and 4.5 (Good); however, the number and nature of deviations found led to a rating for Lot 1 and Lot 2 of **Below Average**, while Lot 3 was rated **Average**. As a result, although the pre-deviation aspect rating was 4.4 (Good), the overall project rating was **Below Average**.

Figure 6: CASA-1000 aspect and project ratings



# Annex 9: Herat Electrification Project

## Introduction

### HEP monitoring activities

Engineering assessments to determine physical progress, compliance with design, engineering best practice, project management, and environmental and social safeguards.

The Herat Electrification Project (HEP) aimed to provide access to electricity for households, institutions, and businesses in Herat province. HEP was implemented by Da Afghanistan Breshna Sherkat (DABS), the national power utility company of Afghanistan.

HEP had three components:

- 1. Component 1 - Electrification of four districts in Herat province (USD 20 million):** This component supported investments for building a new 110 kilovolt (kV) transmission line, four 110/20 kV substations, and medium- and low-voltage distribution networks in four districts (Chisht-E-Sharif, Obe, Karrukh, and Pashtun Zarghun) in Herat province.
- 2. Component 2 - Grid densification, extension, and off-grid pilots in Herat province (USD 36 million):** This component extended grid electricity supply to other parts of Herat province. There were also pilot schemes for solar mini-grids and solar-hybrid mini-grids in villages that were unlikely to receive grid electricity in less than five years, and where it was technically and economically justifiable to do so.
- 3. Component 3 - Technical assistance (USD 4 million):** This component financed technical assistance to ensure timely and quality completion of the project. It included enhancing DABS capacity in procurement, engineering studies, and project management, and enhancing financial planning for utility and safeguards implementation.

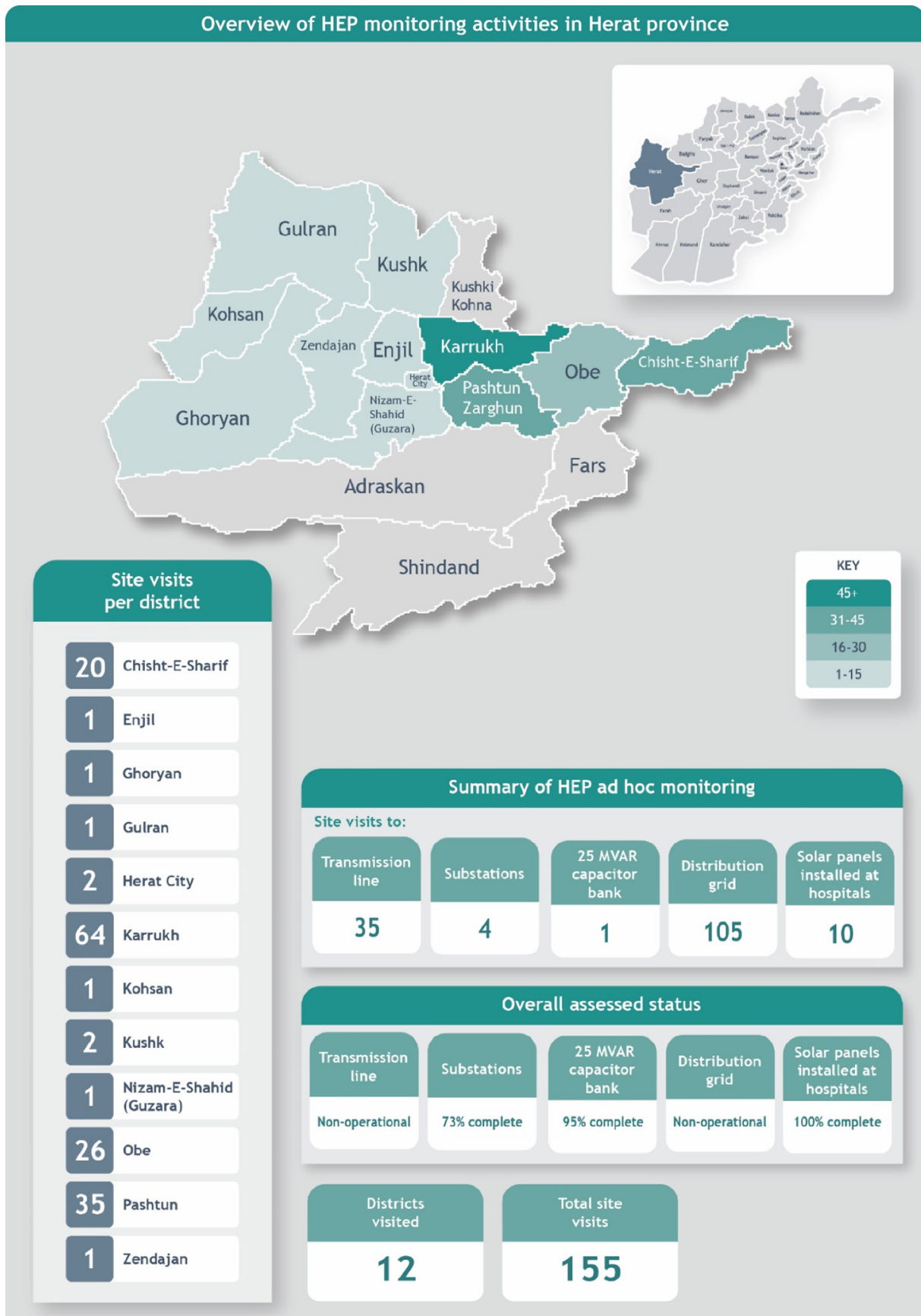
HEP project activities were paused in August 2021, prior to which the project had made most progress on Component 1, while under Component 2, the installation of a 25 MVAR capacitor bank in Hoot substation was nearing completion.

## Monitoring activities

From May 23, 2022 to June 8, 2022, our engineers conducted visits to 155 locations for the HEP activities in twelve districts in Herat province, the majority in Chisht-E-Sharif, Obe, Karrukh, and Pashtun Zarghun.

Our monitoring focused on assessing infrastructure and the supply of materials and equipment. Our engineers visited substations, transmission towers, distribution poles, and solar power systems installed at hospitals to assess and document the overall quality of construction and progress in relation to design, materials, and quality of workmanship. The engineers also visited warehouses to observe, document, and photograph materials and equipment.

Figure 1: Overview of HEP monitoring activities in Herat province

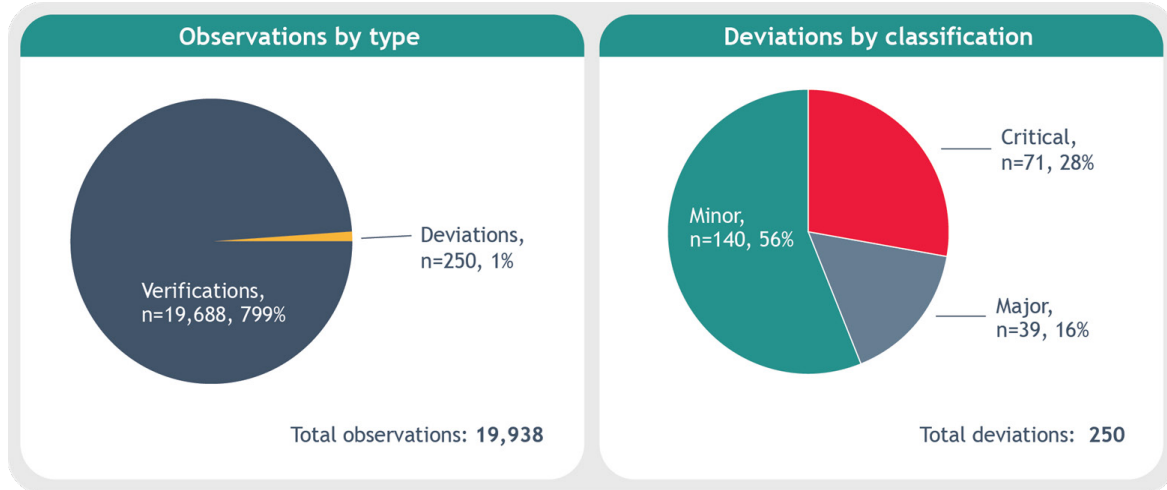




## Observations and deviations

During their 155 site visits, our engineers made 19,938 observations, identifying 250 deviations (1%).

Figure 2: Observations and deviations



Just over a quarter of identified deviations (28%, n=71) were Critical and 16% Major (n=39), with more than half Minor (56%, n=140). Two-thirds of the identified deviations (68%, n=170) related to insufficient, or a lack of O&M, which included damage caused by theft or during conflict, or a lack of attention to rectifying smaller issues on an ongoing basis. Other deviations related to shortcomings in project management (n=35), workmanship (n=25), use of materials (n=12), and design (n=5). Project management-related deviations mainly related to insufficient, or a lack of, supervision. Our engineers estimated the cost of rectifying the deviations at USD 80,531.

Table 1: HEP deviations and rectification costs

	CRITICAL	MAJOR	MINOR	TOTAL
Deviations identified	71	39	140	250
Estimated rectification cost (USD)	62,886	8,590	9,055	80,531

Figure 3: HEP Deviations by aspect

Deviations by aspects and classification						
Aspect						
	Design	Materials	Workmanship	Project management	O&M	Social Safeguards
Minor	0	4	11	15	108	2
Major	2	3	3	7	24	0
Critical	3	5	11	13	38	1
Total	5	12	25	35	170	3

## Good Practice and Extra Works

Our engineers did not identify any examples of Good Practice or Extra Works.

## Documentation

During visits to the transmission line, our engineers verified 10 out of 19 required documents (53%) that were supposed to be available. Similarly, during visits to the four substations, our engineers were able to verify that eight out of sixteen documents were available. Where our engineers reported that documents were unavailable, contractors most often stated that the documents were stored at DABS.

In visits to both the capacitor bank and the distribution grid, our engineers verified most documents as available on site, with only two of the required documents unavailable. For the capacitor bank, nine out of eleven documents were available on site; for the distribution grid this was eight out of ten documents. During visits to the capacitor bank, engineers noted that where documentation was not available on site or at the DABS office, it was stated as being stored at the DABS provincial office.

## Operations and Maintenance Plans

Our engineers did not find any Operations & Maintenance (O&M) Plans available during their site visits to the transmission line, substations, capacitor bank or distribution grid. In visits to the transmission line, the DABS team did not know who was responsible for preparing O&M Plans and reported that this had not been included in the project Bill of Quantity.

O&M Plans were available at all ten hospitals where visits were conducted to assess solar panel installations. These had been developed by the contractor, with the hospitals responsible for implementing them, although none were being implemented at the time of our visits.

## Environmental and Social Safeguards

We did not observe any negative environmental impacts during our location visits, and there were no reports of cutting down trees for work relating to the project components.

In terms of safety, at 23 locations with 47 towers, transmission lines crossed over houses, roads, and canals or rivers. All were within specification. Distribution grid poles and conductors also crossed over roads, houses, and canals, and, in some cases, over existing power lines, at 163 sites. At three sites the conductor height was below the specified height; our engineers reported these cases as Critical deviations.

During site visits to the distribution grid, our engineers identified five sites where poles were prone to flooding, and without mitigation measures in place. In addition, one more site that was prone to flooding was found at the transmission line for which mitigation measures had been implemented. Finally, seven solar panel sites were deemed at risk of strong winds, and mitigation measures has been implemented for five of these.

## Land acquisition

Our engineers found no evidence of complaints or disputes relating to land acquisition or compensation during our visits.

Almost half the land used for the transmission towers was owned by the Afghan government under the

Republic (49%, n=17), with 40% (n=14) in private ownership. The towers at three locations were on a combination of government and private land.

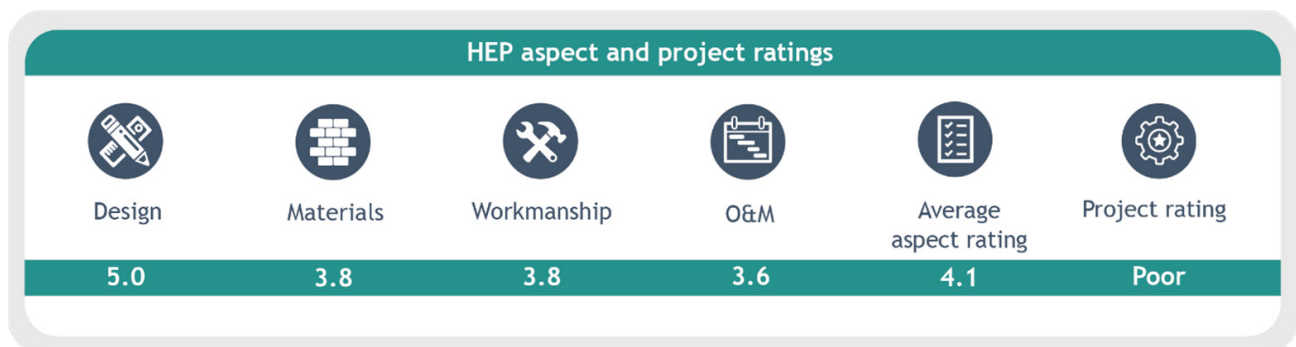
During site visits to the distribution grid, our engineers reported that one-third of the land used for poles was government-owned, with the remainder of the poles on a combination of government and private land. At seven sites, residents had allowed contractors to install poles inside their house compounds. Our engineers did not report any complaints or disputes relating to land acquisition or compensation.

## Aspect and project ratings

Our engineers rated the following key infrastructure aspects: quality and applicability of design, quality of materials used, workmanship, and O&M, with a score of 5 being Very Good and a score below 0.99 Very Poor.

Our engineers assessed project design as Very Good, materials and workmanship as Good, and O&M as Above Average. Figure 4 provides a breakdown of average scores. The ratings are an average of all the components of the project - transmission line, substations, capacitor bank and distribution grid - excluding solar panel installations, which we did not score because it did not require any construction work.

Figure 4: HEP aspect and project ratings



In calculating a project rating, we take into account the average of these aspect ratings together with the number and severity of deviations found. Given the number of Critical deviations in relation to all the project's components except for the capacitor bank, the project rating for HEP dropped to **Poor**.

This rating is also consistent with our overall assessment that most project components are non-operational and incomplete: the transmission line and distribution grid are non-operational, the substations are only partially complete, and the solar panels installed at hospitals require maintenance in line with O&M Plans. However, a minor segment of the distribution grid has been energized in Chisht-E-Sharif district through the Salma hydro-electric plant substation, benefiting 350 commercial and public consumers.

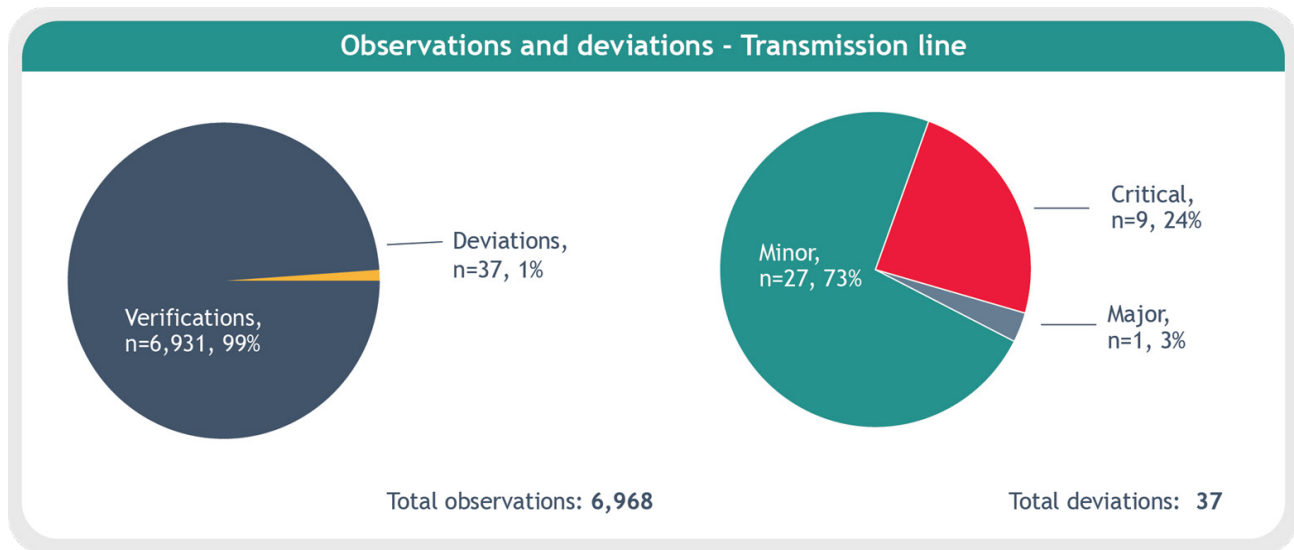
## Specific findings relating to the transmission line

Our engineers assessed the transmission line as non-operational: although contractors have erected transmission towers and installed conductors, the connection with the Karrukh substation is not fully complete, and most towers are missing bracings. As a result, even though the start point tower has been connected to the Noor Jihad substation since January 2021, the transmission line requires maintenance and replacement parts before it can be made operational.

## Observations and deviations

Our engineers recorded 37 deviations in the transmission line (1% of 6,968 observations made). Almost a quarter of the deviations were Critical (24%, n=9), with one Major deviation and the rest Minor (73%, n=27). Two-thirds of deviations (68%, n=25) related to O&M, including missing parts such as anti-climbing devices, barbed wire, and safety plates, which may have been installed but have since been stolen and not replaced. The second most frequent cause of deviations was poor workmanship (20%, n=7), in the form of loose parts or missing tack welds for bracings. Our engineers assessed eight out of nine Critical deviations as related to poor workmanship.

Figure 5: Observations and deviations - transmission line



## Construction materials testing

We verified test documentation showing that the contractors had carried out a total of 152 tests, including compressive strength, grounding or earthing, slump, and temperature at 99 towers (94%, 33 locations), and reported that they all met the requirements. However, the tests conducted were only a small proportion of the total of required tests.

## Environmental and Social Standards

Our engineers did not report any negative environmental impacts at the locations monitored. There were no reports of trees being cut down. In terms of safety, one tower was 25m from a river and about 3m from an irrigation waterway, but contractors had put in place safety measures to mitigate potential damage. At 47 towers in 23 locations, the transmission line crossed over houses, roads, canals or rivers, but there were no reported public safety concerns.

## Land acquisition

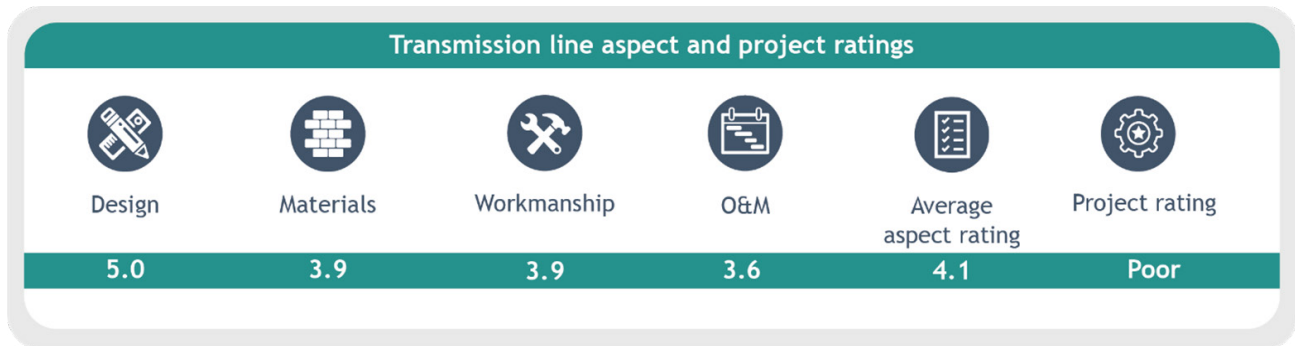
There were no complaints or disputes relating to land acquisition or compensation. Almost half of the land used for the transmission towers was government-owned (49%, n=17) under the Republic, with 40% (n=14) in private ownership. Three sites each had three towers located on a combination of government and private land. Land acquisition or planning documents were not available for one site. Land clearance and transfer documents were available for 15 out of 20 government-owned sites (75 percent).

At 16 sites, 88 households had donated land for installing towers, with transfer documentation available for 12 of these sites. We could not verify any land donation papers for the other four sites, although DABS reported that the communities had donated the land.

### Aspect and project ratings

Our engineers individually assessed the transmission line’s design as Very Good, materials and workmanship as Good, and O&M as Average. However, the overall project rating for the transmission line is **Poor** because of the nine Critical deviations that our engineers identified.

Figure 6: Transmission line aspect and project ratings



### Specific findings relating to the substations

The prime contractor for this part of the project was a joint venture between Aster Private Limited from India and State Corps from Afghanistan. These companies had subcontracted all civil construction activities to Novin Simia Company, which had further subcontracted them to a local construction firm, Farooq Rahimi Construction Company.

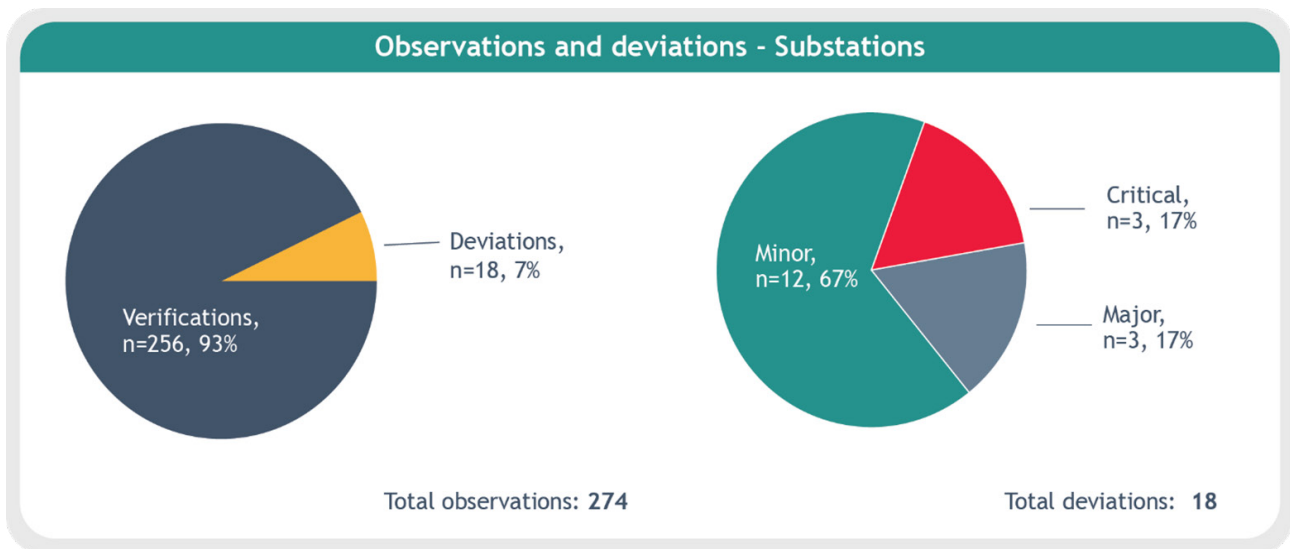
We assessed overall physical progress for the substations at between 70% and 75%, with infrastructure work suspended at all four substations since August 2021. At the time of our visits, the contractors had not started energization and commissioning<sup>23</sup>; much of the equipment was identified as requiring pre-commissioning but there was no evidence that this had occurred or was planned for.

### Observations and deviations

Our engineers identified 18 deviations: three Critical, three Major, and 12 Minor. The three Critical deviations related to 2.5m manholes at three substations that were unprotected, posing a safety threat. The three Major deviations related to a faulty structure for draining flood water and poor workmanship for the water tank at one substation, a lack of casing pipes for the bore well at another, with no protection in place to prevent debris from falling into the well. Most Minor deviations related to the quality of materials used, poor workmanship, or insufficient project oversight by the contractor/subcontractor, consulting engineers, or DABS. These had typically resulted in settled backfilling or faults in the concrete and equipment installation.

<sup>23</sup> Commissioning of electrical systems is the process of testing and accepting the installation of electrical equipment and verifying the overall performance of the system.

Figure 7: Observations and deviations - substations



### Equipment supplies and warehousing

We visited two substation warehouses to list equipment and materials, some of which were in sealed boxes which were not inspected. None of the mandatory spare parts required for the substations, were evident, although these may not yet have received at the time of our visits.

### Environmental and Social Safeguards

Our engineers did not report any negative environmental impacts at any of the four substations. There were no reports of trees being cut down.

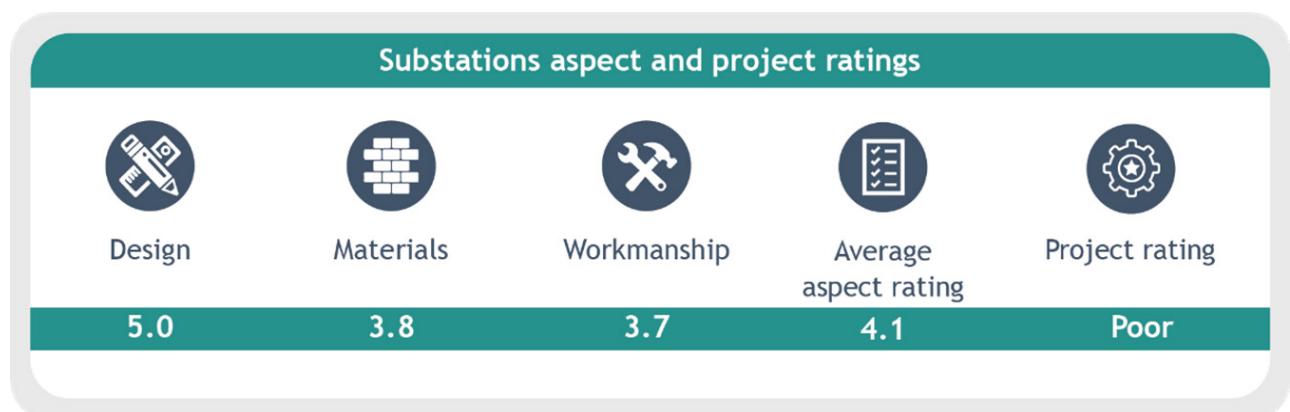
### Land acquisition

The contractors acquired land through standard processes and there were no reports of complaints having been made.

### Aspect and project ratings

Our engineers individually assessed the substation design as **Very Good**, and materials and workmanship as **Good**. However, the overall project rating for the substations is **Poor** because of the three Critical deviations that our engineers identified.

Figure 8: Substations aspect and project ratings

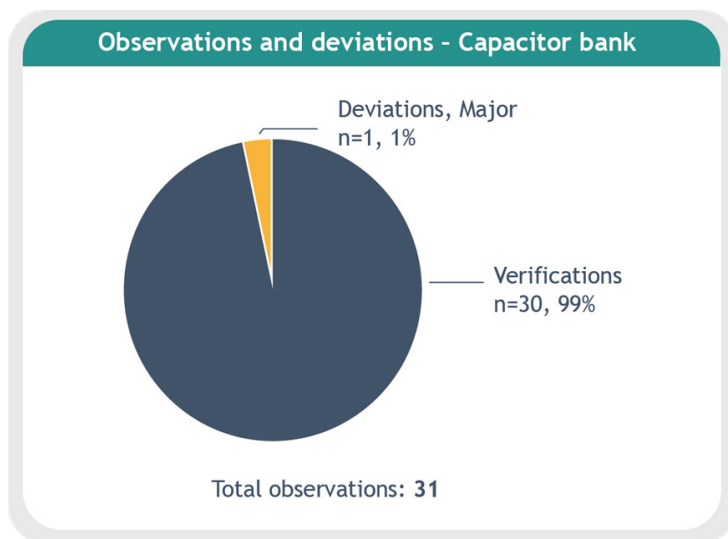


## Specific findings relating to the capacitor bank

The contractor had almost completed infrastructure works for the 25 MVAR capacitor bank at 24 Hoot substation by August 2021, although commissioning and energization of the capacitor bank was pending at the time of our visit due to the unavailability of a direct power line. The contractor had handed over surplus equipment to the DABS warehouse in Herat, where it was checked by our engineers.

We assessed the overall physical progress for the 25 MVAR capacitor bank as 95%. The physical progress calculation accounts for the supply of materials and equipment, actual work on the foundations, and equipment installation.

Figure 9: Observations and deviations



Our engineers found the quality of the capacitor bank to be satisfactory, with the exception of one Major deviation, relating to the capacitor bank’s disconnect switch/isolator.

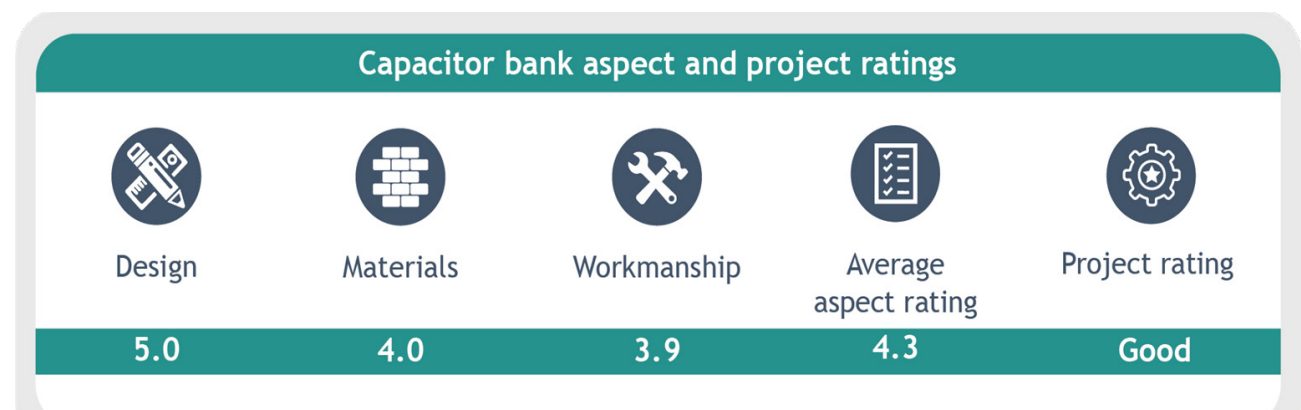
### Environmental and Social Safeguards

Our engineers did not observe any negative environmental impacts.

### Aspect and project ratings

Our engineers individually assessed the capacitor bank’s design as **Very Good**, and materials and workmanship as **Good**. The overall project rating for the capacitor bank is also **Good**.

Figure 10: Capacitor bank aspect and project ratings



## Specific findings related to the distribution grid

Our monitoring of the distribution grid covered a total of 6,545 poles and 134 transformers in four districts, with each site visit covering up to 70 poles.

The distribution grid across all four districts was non-operational, although a small part of the grid in Chisht-E-Sharif district had been energized in July 2021 by connecting them to the Salma Dam substation. In total, two transformers and 58 poles, at different locations, were energized with an output voltage of 180V, benefitting 300 commercial users and 50 local government offices. No households had benefitted at the time.

At twelve locations, covering about 690 poles, our engineers found that DABS had only completed 80% of construction due to community concerns about land being given to a contractor.

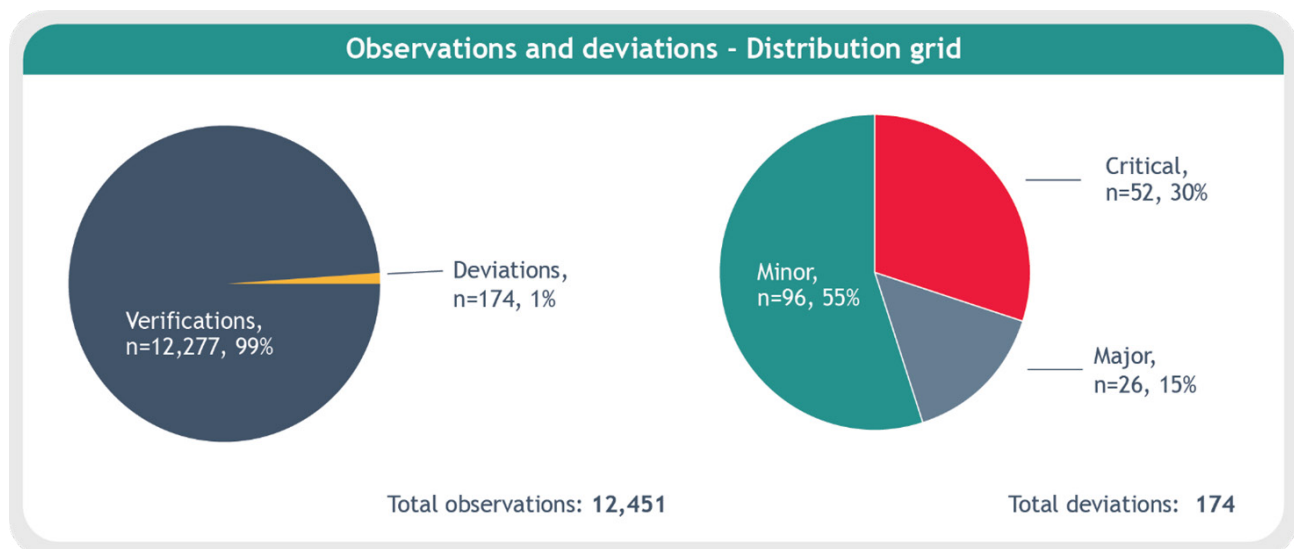
### Observations and deviations

Our engineers recorded 174 deviations relating to the distribution grid: almost one-third were Critical (30%, n=52), 15% were Major (n=26), and more than half Minor (55%, n=96). Almost three-quarters of the Critical and Major deviations (73%, n=57) related to O&M, with most of the others relating to project management (19%, n=15).

The project management-related deviations were attributed to lack of supervision, resulting in issues such as missing cables and stringing, or the improper location of poles. Deviations attributed to O&M included poles, conductors, transformers, or other parts of the grid either being damaged during fighting or going missing, in a few cases due to theft. Most Minor deviations also related to O&M (84%, n=81), including broken meter boxes, cables being cut off or stolen, and bullet damage. There were some minor examples of incomplete work, such as missing cables.

There were many instances of bullet damage to transformers, conductors, and the grid in general, as well as other instances of theft. Energizing the network immediately after construction would probably have prevented some of this damage.

Figure 11: Observations and deviations: distribution grid



### Construction materials testing

We verified test results and documentation in two districts, showing that contractors had carried out a total of 630 tests at 52 out of 62 locations, covering grounding or earthing, continuity, insulation, and resistance.



All were reported as satisfactory. We were unable to verify documentation relating to materials testing for two districts.

### Environmental and Social Safeguards

Our engineers did not report any negative environmental impacts at any of the sites monitored across the four districts, with no reports of trees being cut down.

At five locations, poles had been sited that were prone to natural disaster, such as flooding, with no mitigation measures in place.

At 163 locations, distribution grid poles and conductors crossed over roads, houses, canals, and, in some cases, over existing power lines. At three sites the conductor height was well below the safe standard, constituting Critical deviations.

### Land acquisition

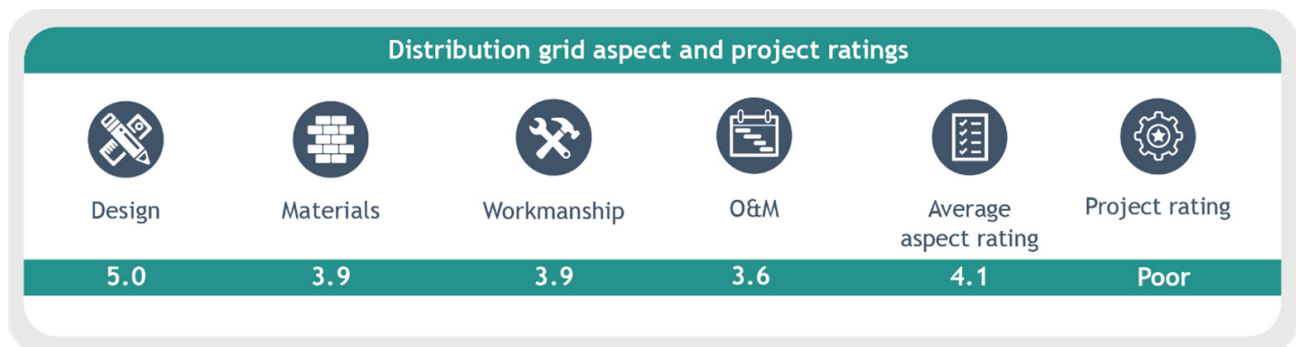
There are no complaints or disputes related to land acquisition or compensation.

A third of the land used for poles was government-owned, with the remainder sited on a combination of government and privately-owned land. No land acquisition or government land clearance documents were available. At 60 sites, 287 households had donated land for the installation of the poles. At seven sites, people had allowed contractors to install poles inside their house compounds.

### Aspect and project ratings

Our engineers individually assessed the distribution grid’s design as **Very Good**, materials and workmanship as **Good**, and O&M as **Average**. However, the 52 Critical deviations brought the overall project rating for the distribution grid down to **Poor**.

Figure 12: Distribution grid aspect and project ratings



### Specific findings related to solar panels

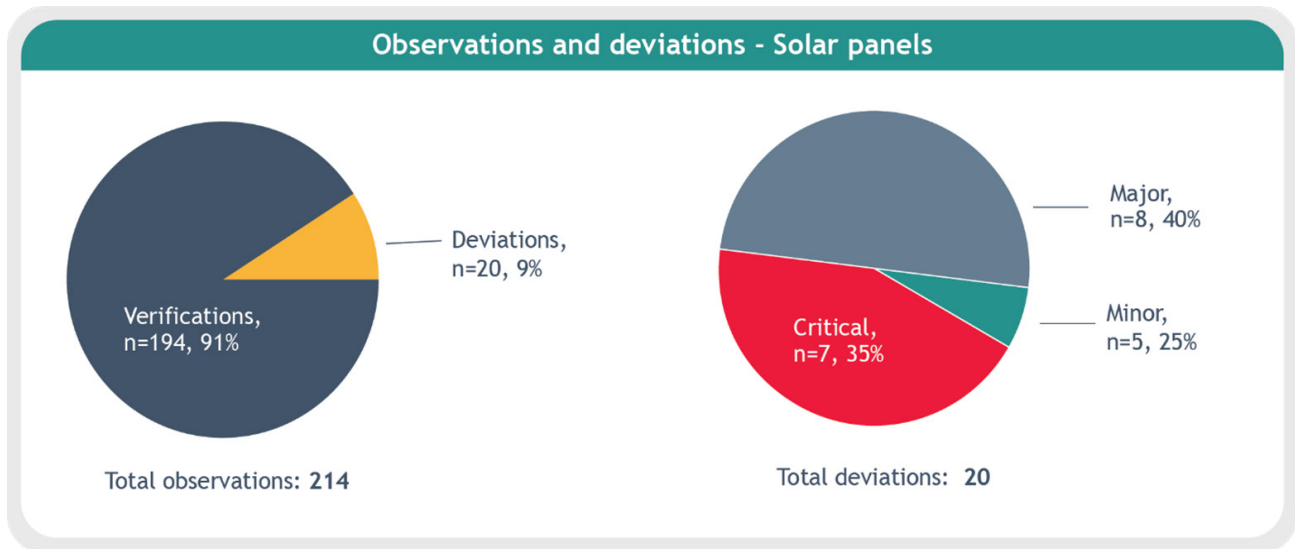
We visited ten hospitals in eight districts and in Herat City, where contractors had installed solar power systems by June 2020. However, our engineers identified that the systems were fully operational in only five hospitals, with two partially operational. A dispute between DABS, the contractor, and the Ministry of Public Health had prevented any handover: although DABS was responsible for contracting and monitoring the contractor for the purposes of installation, the Ministry of Public Health and the Herat Provincial Health Department had no role in selecting the contractor or in ongoing monitoring, which resulted in an unclear handover situation.

Overall, our engineers assessed the quality of inverters provided as low, with most hospitals reporting maintenance challenges. In addition, the contractor and DABS had failed to respond to O&M issues.

### Observations and deviations

We recorded 20 deviations relating to solar panels: seven Critical, eight Major, and five Minor. Five of the seven Critical deviations related to dysfunctional inverters and two to a lack of O&M for the batteries and solar panels. Our engineers attributed five of the Major deviations to issues with the wiring of the solar panels or damage caused to the panels by fighting or improper use. Three Major deviations related to the installation of LED lights: in two cases the contractor had installed fewer than half the lights specified in the Bill of Quantities; in one case they had not installed any.

Figure 13: Observations and deviations: solar panels



### Environmental and Social Safeguards

Our engineers did not report any negative environmental impacts or social standard-related issues at any of the hospitals.

### Aspect and project ratings

Our engineers did not provide aspect ratings for this project component because no construction was involved.

# Annex 10: Naghlu Hydropower Rehabilitation Project

## Introduction

### NHRP monitoring activities

Engineering assessments to determine physical progress, compliance with design, engineering best practice, project management, and environmental and social safeguards.

The Naghlu Hydropower Rehabilitation Project (NHRP) seeks to improve dam safety and increase the supply of electricity at the Naghlu Hydropower Plant (NHP). Da Afghanistan Breshna Sherkat (DABS) is currently responsible for the dam and thus functions as the implementing agency of NHRP. The project, with a total budget of USD 83 million, started on 1 December 2015 and comprises three components:

1. Component 1: Mechanical, electrical, and electromechanical works, covering (a) the rehabilitation of Unit 1 of NHP; (b) enhanced maintenance of other units of the powerhouse, including provision of spare parts, Operations & Maintenance (O&M) equipment, and construction of related warehouses.
2. Component 2: Dam safety and power generation improvement, comprising (a) dam safety audit and safety improvement measures, including the reactivation of the low-level outlet; (b) optimization of power generation.
3. Component 3: Environmental and social sustainability, project management support, and future project preparation, supporting (a) NHP's environmental and social sustainability through electrification of villages around the Naghlu dam and development assistance to improve the livelihoods of communities surrounding the dam; (b) the Project Implementing Entity, the Environmental and Social Advisory Panel, and the Project Technical Advisory Panel; (c) identification of potential future projects for hydropower development.

The project's disbursement and activities were after August 2021.

## Monitoring activities

From March 29, 2022 to April 3, 2022, During March and April 2022, we conducted visits to monitor project implementation: five to the Naghlu Dam (for Components 1 and 2) in Kabul province, and 18 visits to the adjacent villages in Surobi district (for Component 3).

In separate visits to the Naghlu Dam, our engineers assessed various aspects of the dam and spoke with the following NHP team members: Switchboard Manager, Director of the Production Basin, Head of the Mechanical Department and O&M Manager, Deputy Manager of the Control Room, Head of the NHP team, and Deputy of the NHP team. The engineers also spoke with the NHRP Project Manager, who is working at DABS.

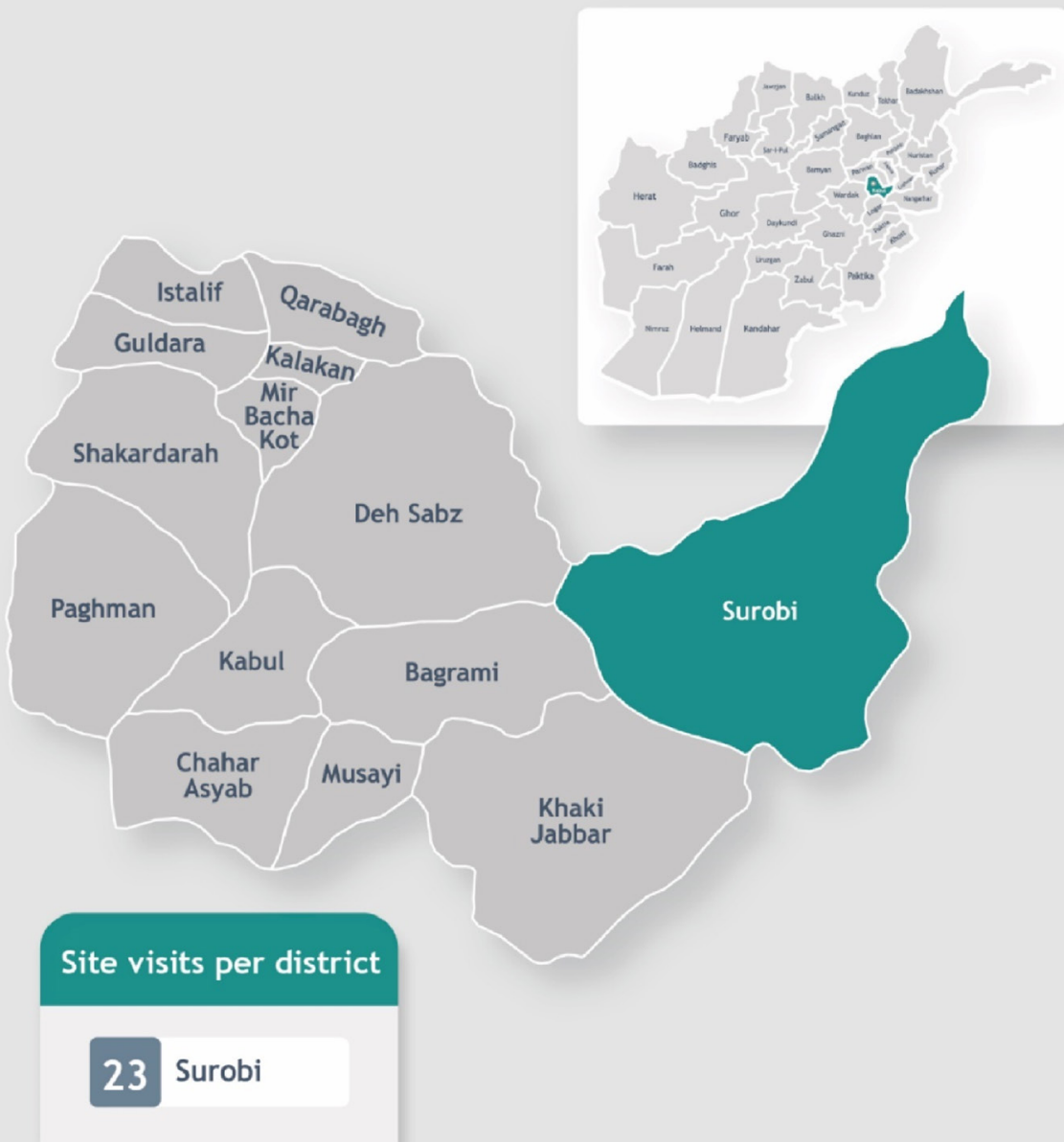
The 18 villages that our engineers visited in Surobi district are all supported through Component 3 of the NHRP.

---

### Figure 1: Overview of NHRP monitoring visits

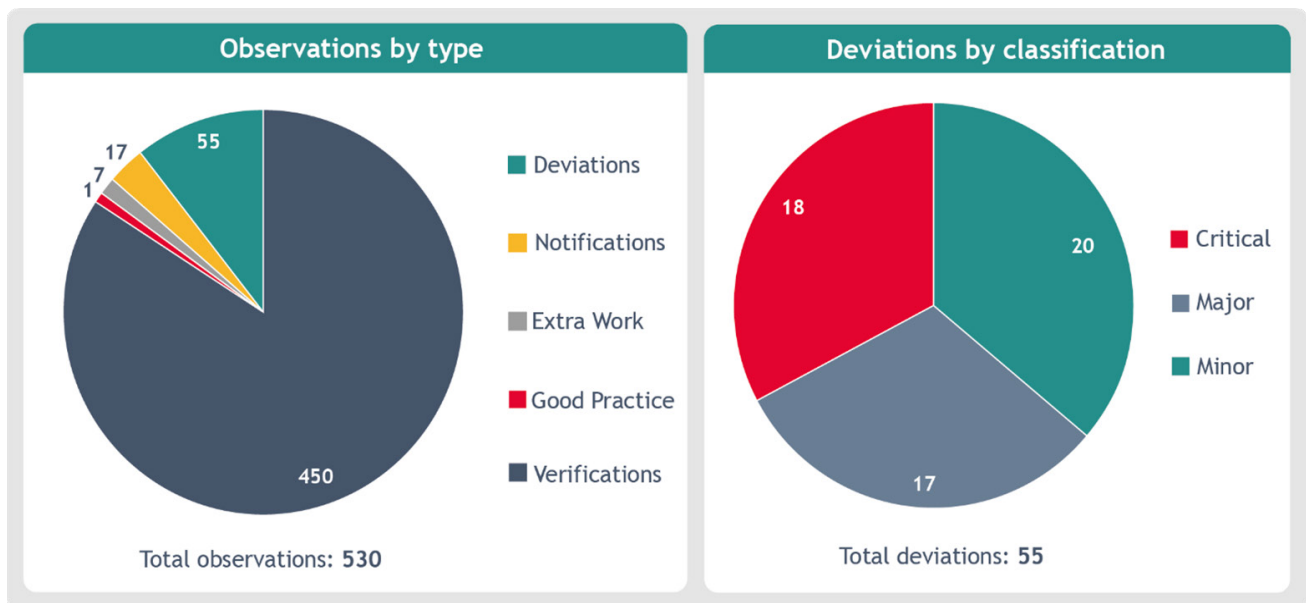
## Observations and deviations

### Overview of NHRP monitoring visits in Kabul province



During their visits, our engineers made 530 observations, identifying 55 deviations (10%).

Figure 2: Disaggregation of project observations and deviations for NHRP

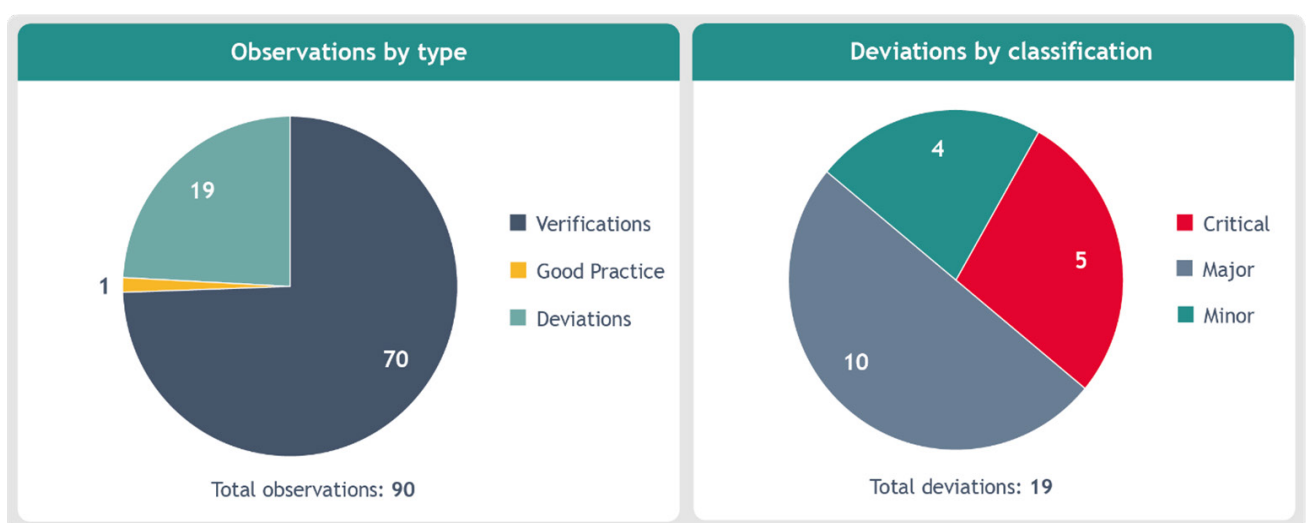


## Observations and deviations - Components 1 and 2

From all observations, 90 were made at the dam, verifying 56 different dam features, including: the dam platform, reservoir, intake structure, and hydraulic turbines; the powerhouse; the spillway gate; the bottom outlet (flushing gates); the drainage galleries and drainage pumps; the warehouse for spare parts for the dam; the sub-station; the boundary wall; and access roads to the dam.

In addition, at the dam, our engineers conducted 14 verifications of the sediment level. They found one example of Good Practice, relating to the sub-station having a dedicated area to place a future additional transformer. Our engineers also identified 19 deviations, 4% of all observations made and 17 Notifications (defined as minor failings costing less than an estimated USD 50 to resolve).

Figure 3: Disaggregation of project observations and deviations for NHRP Components 1 and 2



Of the 19 deviations identified at the dam, five were Critical, ten Major, and four Minor. Our engineers found that the causes of most of the deviations were poor maintenance and insufficient project management by the NHP team. The estimated total rectification cost for the deviations relating to the

dam is USD 3,717,800, of which USD 3,500,000 related to resolving the issue of rising sediment in the dam reservoir.

Table 1: NHRP Components 1 and 2 deviations in Q2 2022

	CRITICAL	MAJOR	MINOR	TOTAL
Deviations identified in Q2	5	10	4	19
Estimated rectification cost (USD)	3,615,550	101,100	1,150	3,717,800

## Good Practice and Extra Works - Components 1 and 2

At the dam, we identified one example of Good Practice where the sub-station had a dedicated area for a future additional transformer, with no evidence of Extra Works.

## Documentation - Components 1 and 2

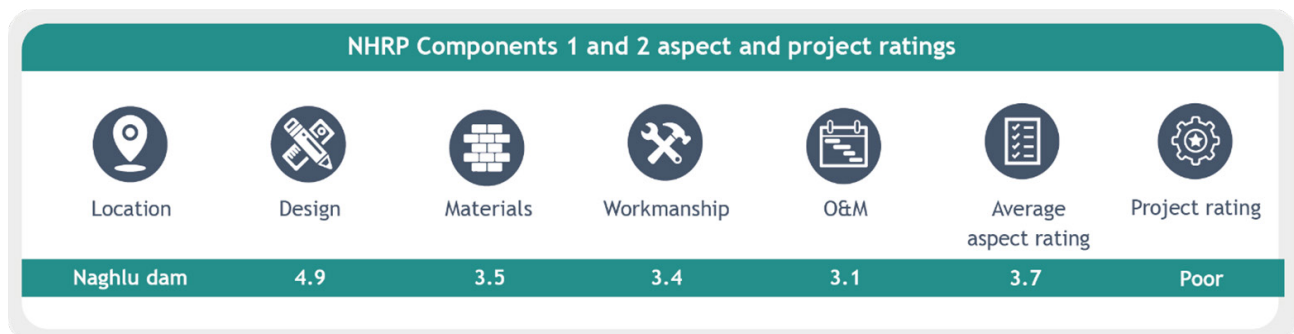
For Components 1 and 2, our engineers found fewer than half of the documents that should have been available at the dam (43%, 17 out of 40%). In almost all cases, the NHP team reported that these should have been finalized by external consultants, but that work had not yet started before their contracts ended in August 2021.

## Aspect and project ratings - Components 1 and 2

Our engineers rated the following key infrastructure aspects: quality and applicability of design, quality of materials used, workmanship, and general O&M, with a score of 5 being Very Good and a score below 0.99 Very Poor.

For Components 1 and 2, our engineers assessed the NHRP completion rate at 25%. Although the average aspect rating is 3.7 (**Average**), the project rating for work done to the Naghlu Dam (Components 1 and 2) under NHRP is rated **Poor** because of the various Critical and Major deviations that our engineers identified, such as the sediment build-up in the dam reservoir and the drainage galleries.

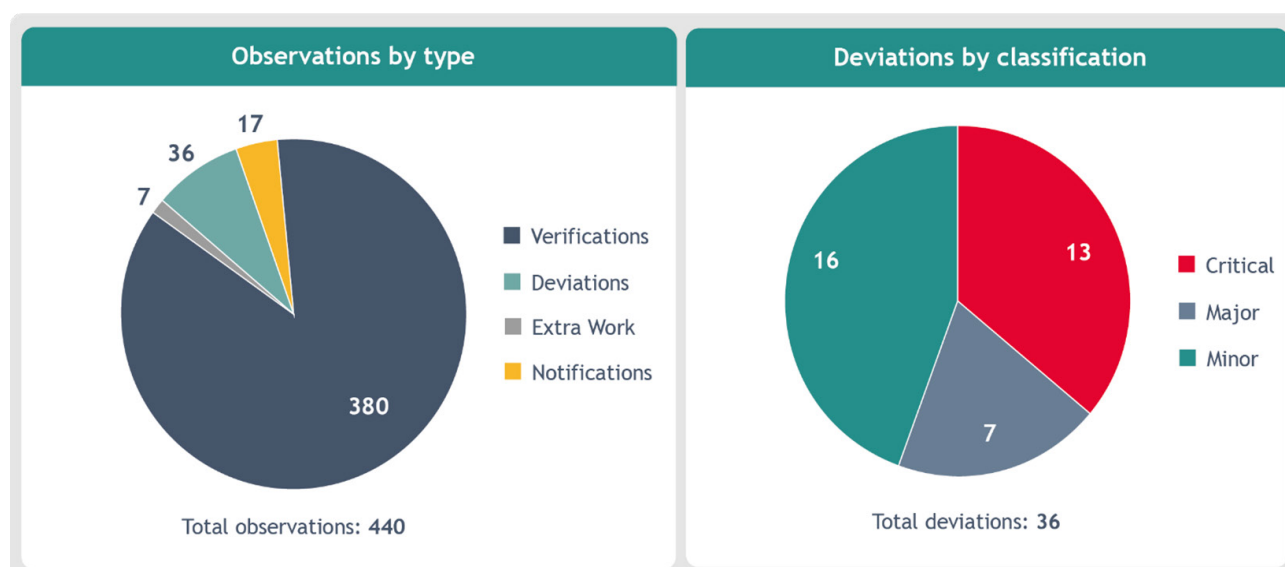
Figure 4: NHRP Components 1 and 2 aspect and project ratings



## Observations and deviations - Component 3

Our engineers made 440 observations during visits to the 18 villages adjacent to the Naghlu Dam, assessing 380 different project features, including electric poles, conductors and wires, and transformers. The engineers did not find any instances of Good Practice, but identified seven cases of Extra Works (additional work that improves the functionality of the project at no additional cost). In total, we identified 36 deviations, of which 13 were Critical, seven Major, and 16 Minor.

Figure 5: Disaggregation of project observations and deviations for NHRP Component 3



Of the 36 deviations relating to the villages around the dam, 13 were Critical, seven Major, and 16 Minor. Three villages had no deviations. The principal causes of deviations included improper supervision by the supervising site engineer over sub-project design drawings, poor workmanship or maintenance, negligence by DABS during and after sub-project implementation, and disregard by the community for newly installed electricity infrastructure.

The estimated total rectification cost for the deviations relating to the villages is USD 8,300, with the highest cost, USD 1,000, relating to the installation of a new electricity pole with high-quality foundations in an area subject to flooding.

Table 2: NHRP Component 3 deviations in Q2 2022

	CRITICAL	MAJOR	MINOR	TOTAL
Deviations identified in Q2	13	7	16	36
Estimated rectification cost (USD)	2,400	2,100	3,800	8,300

Of the 17 Notifications, found in ten villages, these usually related to earthing plates not being buried in the ground and rusting on parts of poles or transformers due to poor-quality paint having been used.

## Good Practice and Extra Works - Component 3

In the villages, there were no examples of Good Practice but seven cases were found of Extra Works.

## Documentation - Component 3

For Component 3, only a few documents were available at the sub-project sites. The remainder were all reported as being at the DABS office.

## Aspect and project ratings - Component 3

For Component 3, our engineers assessed the completion rate at 95%. O&M ratings are not included for this component because the NHRP project manager noted that O&M for the electricity grid is DABS' responsibility.

Figure 6: NHRP Component 3 aspect and project ratings

NHRP Component 3 aspect and project ratings					
 Location	 Design	 Materials	 Workmanship	 Average aspect rating	 Project rating
Sheer Khan Khail	5.0	4.0	3.8	4.3	Good
Mullah Kalay	5.0	3.4	3.4	3.9	Average
Doulatzay Bala	5.0	3.7	3.7	4.1	Below Average
Dalatzay Payeen	4.9	3.5	3.5	4.0	Poor
Mano Kalay	5.0	3.8	3.7	4.2	Below Average
Koka Manda	5.0	3.7	3.7	4.1	Below Average
Momin Khan & Serinai Kalay (Masjid Omar Farooq)	5.0	4.0	3.9	4.3	Good
Kootgee	4.8	3.4	3.3	3.8	Below Average
Qala E Dahankul	5.0	3.5	3.4	4.0	Poor
Zira Tanga	5.0	3.4	3.6	4.0	Below Average
Sherkhan Kas	5.0	3.9	3.9	4.3	Good
Oryakhail Naghlu	5.0	3.2	3.0	3.7	Below Average
Dada	5.0	3.3	3.2	3.8	Below Average
Jalwanan	5.0	3.9	4.0	4.3	Average
Looi Kalay	5.0	3.9	4.0	4.3	Good
Hussain Khail Naghlu	5.0	3.6	3.5	4.0	Good
Qala E Habib	5.0	4.1	3.8	4.3	Below Average
Mohmandi	5.0	3.9	3.7	4.2	Below Average
Average for all project-supported villages	5.0	3.7	3.6	4.1	Below Average

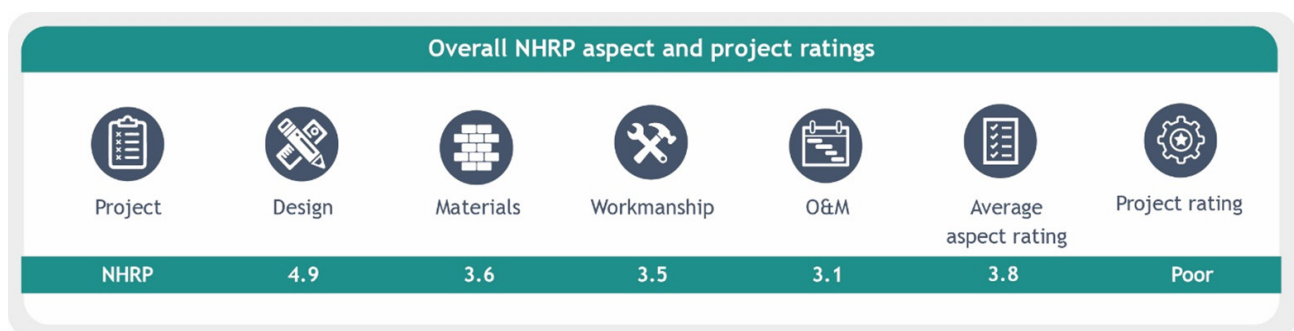


Although the average of all aspect ratings for Component 3 is 4.1 (**Good**), the project rating for work done in the villages around the Naghlu dam is **Below Average** because of the various Critical and Major deviations detected in the some of the villages.

## Overall aspect and project ratings

To calculate an overall NHRP rating based on all the visits conducted shown in Figure 7, we took a weighted average of the scores for Components 1 and 2 (67%), and Component 3 (33%). While the average of the overall NHRP aspect ratings comes out at 3.8 and the project rating for the project in relation to the beneficiary villages is **Below Average**, the Critical deviations found in relation to the Naghlu Dam led to an overall NHRP project rating of **Poor**.

Figure 7: NHRP aspect and project ratings



## Specific findings for the Naghlu Dam (NHRP Components 1 and 2)

### Turbines

Our engineers assessed all four vertical Francis turbines at the Naghlu Dam: two were fully operational, one was operational but undergoing annual maintenance during data collection, and one was partially operational and in need of repairs. Due to a lack of water in the dam reservoir, the turbines were generating less power than planned. Around the time of the engineers' site visit, the NHP team were only able to keep one or two working turbines operational.

### Operations & Maintenance

Our engineers found that an adequate O&M system appeared to be in place for the Naghlu Dam. The NHP technical team reported that they had prepared an annual O&M Plan before the high flow season, covering different approaches to repairing spillway gates and turbine elements.

A review of the maintenance observation logbook found that the maintenance team had reportedly carried out 240 inspections of, or visits to, various components of the dam since the start of 2021, listing 200 deficiencies or deviations for all turbines. The team had rectified all recorded deficiencies or deviations.

The NHP team reported that the maintenance team needed spare parts and could not fully complete their work without them. They also reported that they had worked with DABS and the World Bank to procure these items and started a bidding process in 2020. They had identified companies in Russia and Ukraine, but the process had been terminated in August 2021 before procurement had been finalized.

Our engineers observed the NHP team working without appropriate equipment such as safety glasses, gloves, safety hats with lights, safety shoes, anti-sliding ladders, and safety vests.

## Drainage galleries

Our engineers identified that the drainage galleries had been partly under water for more than 40 years before the installation of two new drainage pumps in 2020 (which they assessed as fully operational). As a result, the engineers found a range of Critical, Major, and Minor deviations:

- More than half of the drainage holes in the drainage galleries were covered with sediment and not operational. Blockage of these holes could prevent water from flowing from the dam's foundation to the drainage galleries, increasing uplift pressure at the foundation.
- The uplift pressure could not be monitored because the tool for measuring it had rusted when the drainage galleries were partly under water and was not operational.
- The artificial cooling system of concrete pipes was not operational due to the drainage galleries being under water for a long time.
- The lighting system in the drainage galleries was not operational, putting laborers working in the galleries at risk. Laborers also lacked the appropriate safety equipment.
- Sediment had accumulated on the walls and roof of the drainage galleries, a potential risk to the laborers working there.

## Measurement of the dam reservoir

Although the NHP team measured the sediment in the dam reservoir in front of the intakes, they had not recently been able to conduct any bathymetric surveys. The team had the necessary equipment - an echo sounder and a boat - but insecurity had made it difficult to explore all areas of the dam reservoir. The team also lacked the appropriate Geographic Information System extension applications and technical expertise to interpret data collected as part of the bathymetric survey. This meant that the gradient of the sediment could not be measured. However, triangulation of the sediment measurements in front of the intakes with the original height of the dam appeared to indicate that the sediment is 33.3m deep, covering 227 million cm<sup>3</sup>. This had decreased the capacity of the dam reservoir from 550 to 323 million cm<sup>3</sup> of water, significantly reducing the amount of electricity it could produce. Moreover, the sediment and the turbine intakes were only 3.7m apart. Were the sediment to reach the intakes, it would flow directly into the turbines, causing a shutdown. These sediment findings were reflected as Critical deviations.

Our engineers assessed that the flushing tunnel and flushing gates were in good condition, but the sediment in the dam reservoir could not be flushed because a sample from the top surface of the sediment contained heavy metals and unexploded ordnance.

## Environment and safety

An environmental and social impact assessment had been conducted a year prior to our visit, whose principal finding related to the increasing amount of sediment in the reservoir, the presence of heavy metals and unexploded ordnance in the top layer of this sediment, and the potential health or environmental risks that could arise should this sediment be flushed. The assessment recommended further tests of the bottom part of the sediment to decide how to remove the sediment.

The NHP team confirmed that workers at the dam had received both environmental health and safety training and First Aid training. Although a First Aid kit was available at the NHP team office near the dam, this was a long way from where most of the O&M work took place. An incident reporting mechanism was available for reporting physical injuries, but no injuries had yet been reported.

Many key documents relating to dam safety, including the Dam Safety Plan and Emergency Preparedness Plan, were not available.

## Principal findings for project-supported villages (NHRP Component 3)

### Operational status

Of the 18 villages supported by NHRP, eleven are located upstream and seven downstream. Work had been completed in all the upstream villages, with electricity provided to the grid, but only seven of these actually received electricity, with many of the planned beneficiary households in the remainder stating they could not afford to buy power meters or cables to connect their houses to the meter boxes. Reports suggested that even households with the resources were unwilling to pay, as they did not believe they should have to. Our engineers highlighted this as a Critical deviation.

In four of the seven downstream villages work had been completed, with work ongoing in two and temporarily stopped in one due to a dispute regarding compensation for trees that had been cut down. Our engineers reported that DABS had stated it was unwilling to provide power to any of the villages until construction had been completed for all the downstream villages.

### Electricity availability and accessibility

For the seven upstream villages that were receiving power, four communities reported that power supplies were generally stable for between 18 and 24 hours a day, while three stated that there were frequent interruptions. Reports show that a total of 1,710 customers had been connected to the grid and were receiving monthly bills. We did not detect any voltage drops in the villages receiving electricity at the time of our visits.

The distribution grid experienced four faults in 2021. All four related to circuit breakers, which were replaced within 14 days. The DABS engineer confirmed that a team was available to correct any faults, with each staff member from DABS district office allocated three or four transformers under a single team leader. Faults that could not be fixed were reported to the main DABS office in Kabul, and then assigned to an appropriate team.

### Safety

Our engineers observed that none of the laborers at the two sites where work was ongoing were wearing Personal Protective Equipment. The laborers reported working an average of eight hours per day on site. No First Aid kits were available at either site, and the on-site engineer stated that workers had not received any environmental or health and safety training. No incident reporting mechanism was available, although no injuries were reported to have occurred to date. Our engineers established that there had been no security incidents affecting the workers or communities.

Our engineers identified various instances in which conductor lines crossed over roads or highways, canals or rivers, houses, or existing power lines. All cases where a conductor overlapped existing power lines were downstream of the dam, with the contractors planning to remove old power lines once the new ones were operational. Our engineers identified one instance where the space between the roof of a house and the conductor fell below the specified distance, and another involving the distance between an electricity pole and an asphalt road. There were also two villages with electricity poles in potentially flood-prone areas for which no mitigation measures had been implemented.

# Annex 11: Implementation Completion and Results Reports

## Introduction

### ICR monitoring activities

Engineering assessments to determine physical progress, compliance with design, engineering best practice, project management, and environmental and social safeguards.

After August 2021, the World Bank closed its projects in Afghanistan. As part of the World Bank's Implementation Completion and Results (ICR) reporting process, we collected data for four projects in 2022 to inform their ICR reports: Central Asia-South Asia - Community Support Project (CASA CSP), Cities Investment Project (CIP), Education Quality Reform in Afghanistan (EQRA) project, and Trans-Hindukush Road Connectivity Project (THRCP).

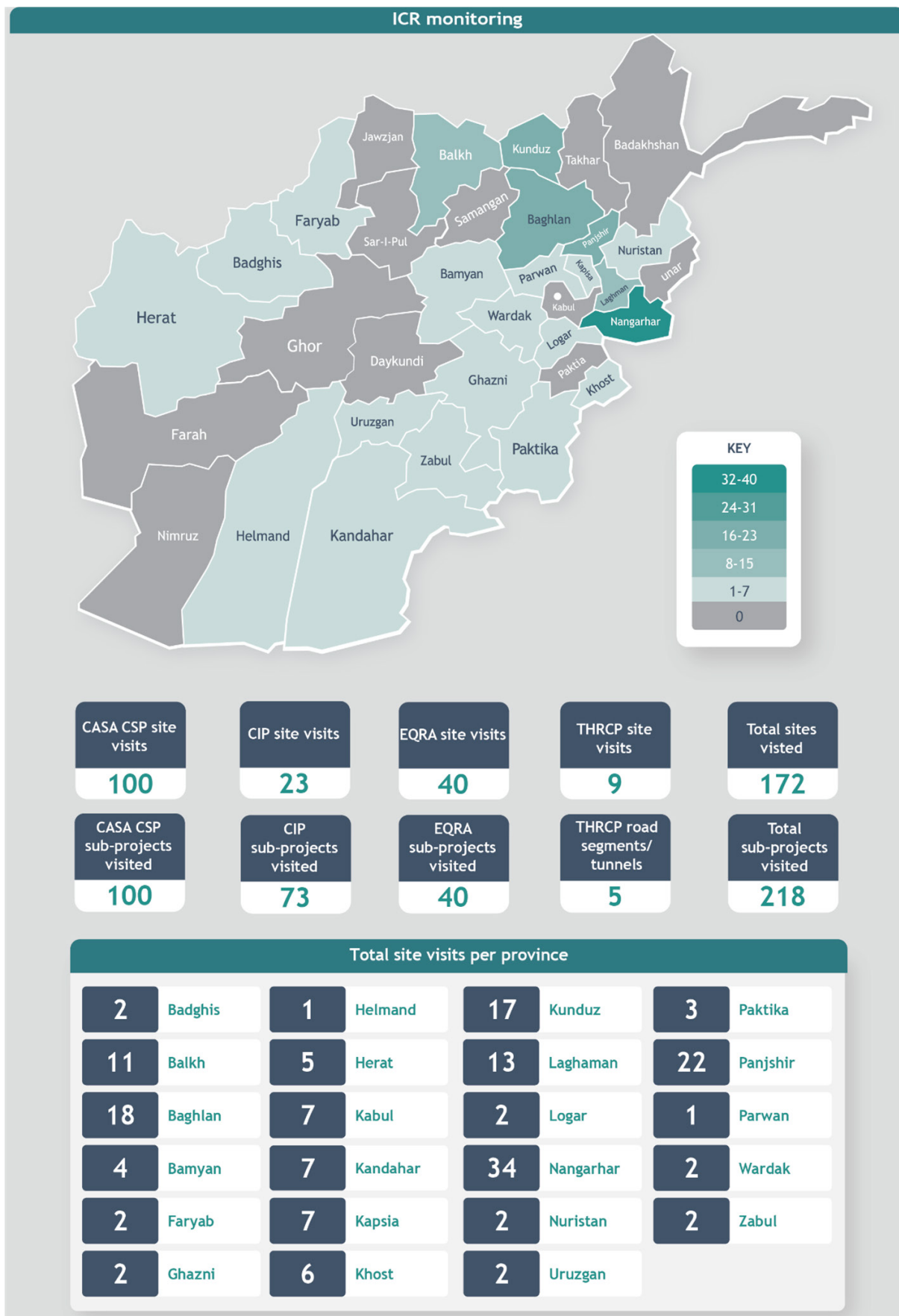
### Monitoring activities

Our engineers visited 172 locations and covered 218 sub-projects (or road or tunnel segments in the case of THCRP) in 23 provinces of Afghanistan. For CASA CSP and EQRA, the number of sub-project visits were the same as the number of site visits. For CASA CSP, we covered 53 of the 100 sub-projects with both infrastructure and social surveys, and the other 47 sub-projects with social surveys only. In the case of CIP, our engineers monitored multiple sub-projects during their visits as the sub-projects were in urban areas and located close to one another. Of 73 sub-projects visited for CIP, our engineers only assessed 24 (the remainder were to verify GPS coordinates). For THRCP, we visited eight road stations, covering four different road segments. We also made one site visit to the Salang Tunnel in Parwan province.

ICR data collection for EQRA took place in May and June 2022 and for CASA CSP, CIP and THRCP in June 2021<sup>24</sup>.

<sup>24</sup> CASA CSP data collection was carried out from June 16, 2022, to June 23, 2022. CIP data collection was carried out from June 15, 2022, to June 21, 2022. EQRA data collection was carried out from May 31, 2022, to June 11, 2022. THRCP data collection was carried out from June 23, 2022, to June 25, 2022.

Figure 1: Overview of ICR monitoring activities



## Financial value of sub-projects visited

Our engineers also collected financial information for the sub-projects visited, reporting financial values in both AFN and USD except for THRCP, where contracts are exclusively denominated in USD. Table 3 presents the total financial value of all sub-projects visited for each project. For THRCP, the table shows the total value of the four road segments visited.

**Table 1: Financial value of sub-projects monitored for ICRs, by project**

CURRENCY	CASA CSP <sup>25</sup>	CIP <sup>26</sup>	EQRA	THRCP
AFN total	176,173,742	7,049,326,139	238,621,754	N/A
AFN average per sub-project/ road segment	3,324,033	542,255,857	5,965,544	N/A
USD total <sup>27</sup>	1,979,480	78,763,421	3,181,622	97,018,976
USD average per sub-project/ road segment	37,349	6,058,725	79,541	24,254,744

## Operational status of sub-projects visited

**Table 2: Operational status of sub-projects/road segments per engineers' assessments**

STATUS PER TPMA ENGINEER	CASA CSP <sup>28</sup>	CIP <sup>29</sup>	EQRA	THRCP	TOTAL
Temporarily stopped	38	0	29	4	71
Ongoing	0	1	0	0	1
Completed	15	23	11	0	49
TOTAL:	53	24	40	4	121

Our engineers reported various reasons for temporarily stopped sub-projects.

- For **CASA CSP**, the change in government was a key reason for all 38 temporarily stopped sub-projects. Non-receipt or lack of funds was also a reason for eight of these sub-projects.
- For **CIP**, our engineers assessed almost all sub-projects as completed. They reported that the one ongoing sub-project was 95% complete.
- For **EQRA**, our engineers reported that two-thirds of the 29 temporarily stopped sub-projects (68%) had stopped due to the change of government. Just over a quarter (27%) of sub-projects had been stopped because no funds had been transferred to CDC bank accounts. The contractor was unable to complete one sub-project in Herat, while another sub-project in Nuristan had stopped due to a combination of bad weather, unavailability of funds, and the change of government.
  - According to Community Development Council members, the most common risks affecting temporarily stopped sub-projects involved trespassing in incomplete buildings and/or damage to completed aspects of construction activities (70%), followed by rust affecting exposed rebars and damage to or loss of unused materials (15%). Other risks included pre-August 2021 destruction of some parts of buildings due to fighting or explosions (10%).
  - More than half of the temporarily stopped sub-projects (55%, n=16) had fully used all the

25 We only have financial information for the 53 sub-projects where we conducted an infrastructure survey.

26 We only have financial information for 13 sub-projects.

27 Exchange rates are not the same for each project because we collected data in different months for different projects.

28 For CASA CSP, we assessed the status of sub-projects using the infrastructure survey. This data is therefore only available for 53 sub-projects.

29 For CIP, the status of sub-projects was only available for the 24 sub-projects visited for on-site assessments.

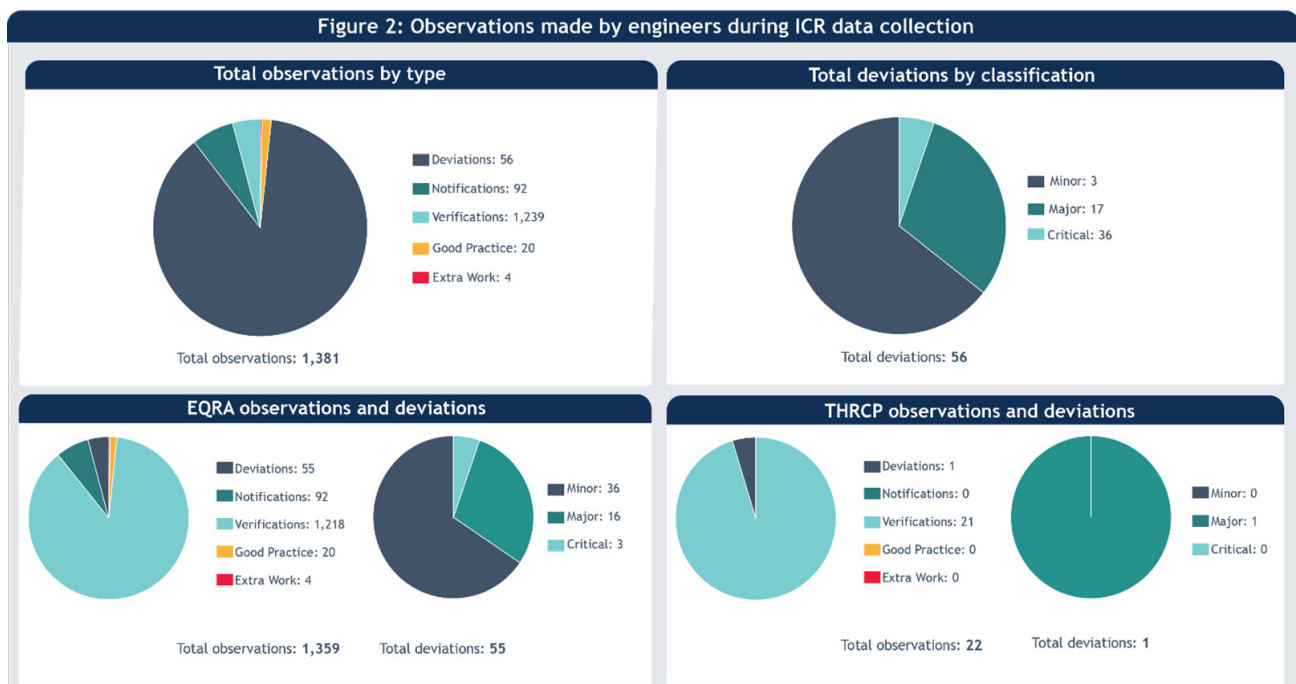
construction materials purchased. The remainder (n=13) had listed unused construction materials, including sand, aggregate, stone, steel bars, rebars, and bricks. Almost all schools stored the unused construction materials in the schoolyard, except one school which stored them nearby.

- For **THRCP**, our engineer found that contractors had not carried out any work since August 2021 except in Segment Two, where the contractor had carried out minor construction works for a further month.

## Observations

During visits for EQRA, our engineers made 1,359 observations, and 22 observations during THRCP visits.<sup>30</sup>

Figure 2: Observations made by engineers during ICR data collection, by project



## Good Practice and Extra Works

Our engineers did not find evidence of Good Practice or Extra Works for THRCP, but for EQRA four examples of Extra Works in four sub-projects and 20 cases of Good Practice were identified.

## Deviations

Our engineers identified 55 deviations for EQRA and one for THRCP (the latter reflects the fact that work for THRCP had effectively stalled since August 2021 and our engineers only assess worked at Segment Two).

There were three Critical deviations for EQRA in sub-projects managed by Community Development Councils (CDCs), alongside nine Major and 29 Minor deviations. Our engineers attributed the Critical deviations to insufficient supervision by the CDC, contractor, or project engineer, as well as for one-third (35%) of Major deviations. Other causes of Major deviations included not following design and construction specifications (23%), poor survey or site selection and poor quality of materials or workmanship (19% each), and lack of maintenance (3%).

<sup>30</sup> Our engineers did not capture summary information related to observations for CASA CSP or CIP because only datasets were required for ICR monitoring of these projects.

For **THRCP**, at the completed works in Segment Two we identified one Major deviation where seasonal flood sedimentation had filled a box culvert, with flooding bringing large stones and boulders down towards the culvert inlet and outlet. Our engineer attributed this deviation to poor design and surveying and estimated the rectification cost at USD 600 for a cut-off wall upstream of the box culvert. The contractors had not rectified any previously identified deviations between August 2021 and June 2022 for EQRA or THRCP.

## Documentation

We only asked about the status of documentation for CASA CSP, where 11% of required documentation was available on-site. The contractors reported that other documentation was available elsewhere.

**Table 3: Status of CASA CSP project documents at the sub-project sites**

CASA CSP DOCUMENT NAME	NOT ON SITE BUT AVAILABLE ELSEWHERE	AVAILABLE AT SITE
Site Plan	83%	17%
Design Drawings	89%	11%
Bill of Quantity	87%	13%
Specifications	92%	8%
Sub-Project Contract or Form 7	94%	6%
Work Plan	91%	9%

## Operations and Maintenance Plans

Information about Operations and Maintenance (O&M) Plans was only required for the EQRA and CASA CSP ICRA. None of the 40 EQRA sub-projects visited during the reporting period had O&M Plans available on site or prepared. Our engineers reported that O&M Plans had not been prepared or implemented at completed sub-projects because the Ministry of Education (MoE) had not allocated sufficient funds.

For **CASA CSP**, our engineers reported that four out of 15 (27%) completed sub-projects had not prepared an O&M Plan. The reasons given for this related to the fall of the previous government, the absence of an O&M Committee, or the CDC not being able to hand over a sub-project to the MoE due to the change in government.

For the remaining eleven completed CASA CSP sub-projects, the Ministry of Rural Rehabilitation and Development (MRRD) had helped to prepare O&M Plans. Our engineers reported that seven of these O&M Plans were not being implemented as the relevant CDCs were not able to collect funds from their communities. Where two O&M Plans were being implemented in other four sub-projects, these were assessed as adequate to ensure the sub-projects' sustainability.

## Aspect and project ratings

Our engineers rated the following key infrastructure aspects: quality and applicability of design, quality of materials used, workmanship, and general O&M, with a score of 5 being Very Good and a score below 0.99 Very Poor.

For the reasons explained in Footnote 27, our engineers only assigned aspect ratings to EQRA and Segment Two of THRCP. EQRA had an Average aspect rating of 4.1 but its project rating was **Poor** due to the three Critical deviations identified. Segment Two<sup>31</sup> of THRCP had an Average aspect rating of 3.9 and its project rating was **Good**.

<sup>31</sup> Segment Two was the only segment that we could rate because no work had been done at the other segments since August 2021.



Figure 3: EQRA aspect and project ratings

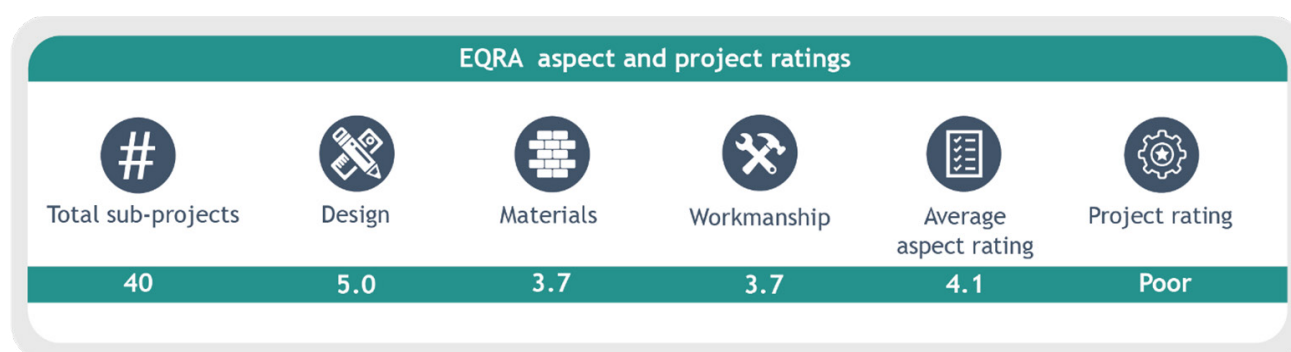
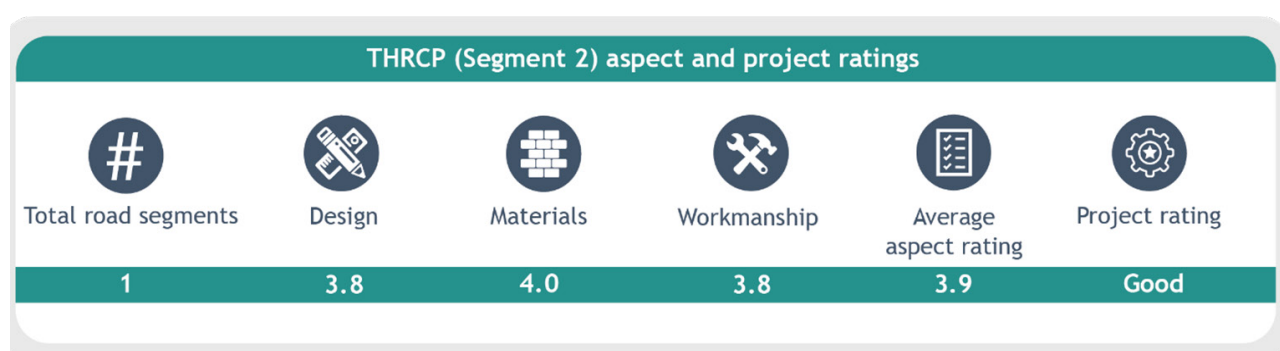


Figure 4: THRCP Segment 2 aspect and project ratings



## Other individual findings from CASA CSP

We interviewed CDC members as part of a social survey conducted for CASA CSP. In total, we interviewed members from 97 CDCs in 18 districts in seven provinces.

Table 4: Number of districts, CDCs, and site visits per province for CASA CSP

PROVINCE	DISTRICTS	CDCS INTERVIEWED	SUB-PROJECTS COVERED
Baghlan	2	14	14
Kabul	1	4	4
Kapisa	2	7	7
Kunduz	2	15	15
Laghman	1	12	13
Nangarhar	4	24	25
Panjshir	6	21	22
<b>Total:</b>	<b>18</b>	<b>97</b>	<b>100</b>

Table 5: Types of sub-projects visited

TYPE OF SUB-PROJECT	VISITS
Canal rehabilitation	42
Protection wall construction	29
Stone masonry retaining wall construction	10
Power line extension	7
Tertiary road graveling	2

TYPE OF SUB-PROJECT	VISITS
Transformer installation	2
Canal construction	1
Canal rehabilitation and protection wall	1
Micro-hydro power plant (<100KW) construction	1
Percussion tube well boring	1
Power pumping water supply network construction	1
Rotary tube shallow well boring	1
Solar pumping water supply network construction	1
Water supply	1
<b>Total:</b>	<b>100</b>

When conducting the social survey, our engineers interviewed one CDC office-bearer for each sub-project visited. Table 9 provides a breakdown of the interviewees by function. All interviewees were male.

**Table 6: Type and number of CDC members interviewed**

CDC MEMBER INTERVIEWED	NO. OF SITE VISITS / INTERVIEWS
CDC Head	49
CDC Treasurer	37
CDC Deputy	5
Sub-Committee Member	5
CDC Secretary	4
<b>Total:</b>	<b>100</b>

### Status and activities of the CDCs

Based on these interviews, our researchers reported that 79 (81%) CDCs were currently active, 18 had been inactive for 10 months, and one had been inactive for five months. Of the active CDCs, 32 (41%) reported that their activities had been paused at some point after August 2021.

Members of eight CDCs reported changes in the CDC structure since August 2021. Of the CDCs visited, respondents from 78 (80%) reported having female CDC office-bearers or sub-committee members. The majority of these (n=62, 79%) had two female members.

Our social researchers reported that 94 (97%) CDCs had received the allocated sub-project budget in their bank accounts. Two CDCs had not done so, and for one CDC this was unclear.

Of the 94 CDCs receiving the allocated budget, only three reported not withdrawing any funds, all citing the change of government as the reason. Where CDCs had withdrawn funds, an average of 59% of the funds withdrawn had been spent. Interviewees from 21 sub-projects reported that they had spent all the funds, and interviewees from 14 sub-projects reported spending 70% of funds withdrawn.

### Complaints mechanisms

Of 53 sub-projects where our engineers conducted an infrastructure survey, only eight had information on how to file a complaint about the sub-project.

A complaints logbook or online system to log complaints was available in 16 out of 53 sub-projects (30%). In 20 of the remaining 37 sub-projects, a mechanism for filing complaints was not available because interviewees reported that the CDC handled grievances directly. Respondents at another three sub-projects reported that a mechanism for filing complaints had existed but was not now available, and at 14 sub-projects our engineers were not able to find out why no mechanism existed.

Our engineers reported a formal group or committee in place to deal with complaints in 33 (62%) of sub-projects; all of these included female members.

### Workers' safety

Our engineers reported that none of the sub-projects were reported as having landmines within one kilometer of the construction site.

Since none of the sub-projects were ongoing, there were no workers on site, so that questions about health and safety training and working conditions could not be confirmed. There were no First Aid kits at any of the sites. There were no reports of injuries to workers at any of the sub-projects in the 90 days prior to the site visits.

### Disaster risk management

Our engineers reported that 14 (26%) sub-projects were located in flood-prone areas. Three of these 14 sub-projects were found to be in need of mitigative measures to reduce the risk of flooding. The contractors had already implemented these measures for one of the three sub-projects. For the other two sub-projects, the contractors had not planned or implemented mitigation actions.

### Trees cut down and replanted

Our engineers reported that the contractors had cut down trees at nine sub-projects and were planning to do this at one further sub-project. Trees had been replanted at five of the nine sub-projects and were planned for two of the remaining four sub-projects. Of the remaining two, the contractors had not replanted trees because replanting was not part of the proposal, and there was not enough space for new trees.

## Other individual findings from CIP

We were asked by the World Bank to check on issues around land acquisition at three specific CIP sub-projects.

**Table 7: CIP sub-projects visited with checks on land acquisition**

SUB-PROJECT ID	PROVINCE	DISTRICT	VILLAGE	NAME OF CONTRACTOR	STATUS
KST-PP-08	Khost	Khost	Madikhel	Paktin Construction Company	Ongoing
KND-PP-15	Kandahar	Kandahar	Baypass	Al Saif Highway Construction Company	Completed
MZR-PP-23	Balkh	Mazar-E-Sharif	Baba Yadgar	Saleh Ejaz Construction & Road Company	Completed

Our engineers reported that the contractor had acquired land for the Kandahar sub-project, affecting 30 households through the loss of some land and seven businesses through the loss of some premises. Further investigation revealed that land acquisition had taken place before the sub-project had started: three years earlier, Kandahar municipality had ordered the demolition of boundary walls and the acquisition of land to prepare for a new road. The other two sub-projects did not need to acquire land for the following reasons:

- *Sub-Project ID - KND-PP-15:* A road had been constructed on municipal ground so no land acquisition was required.
- *Sub-Project ID - KST-PP-08:* An asphalt road had been constructed on an existing local road and no households were affected.

## Other individual findings from EQRA

Of the 40 EQRA sub-projects visited, CDCs were responsible for implementing 26 (65%) and contractors 14 (35%). Of the eleven sub-projects assessed as completed, CDCs had been responsible for seven and contractors for four. Of the 29 sub-projects assessed as temporarily stopped, CDCs were responsible for 19 and contractors ten. Table 8 shows the numbers of observations made, shown by implementing entity.

**Table 8: EQRA observations by type and implementing entity**

OBSERVATION TYPE	CDC	CONTRACTOR
Extra Works	4	0
Good Practice	20	0
Verifications	768	450
Notifications	66	26
Deviations	41	14
TOTAL:	899	490

For EQRA, our engineers found four instances of Extra Works, and 20 cases of Good Practice. All 20 cases of Good Practice came from two sub-projects: six cases for one sub-project in Khost, and 14 for another in Kunduz, both implemented by CDCs.

**Table 9: EQRA sub-projects where our engineers identified Extra Works**

SUB-PROJECT ID	PROVINCE	DISTRICT	CDC / VILLAGE	IMPLEMENTER	DESCRIPTION OF EXTRA WORKS
29-2912-M0026-5-a	Paktika	Ziruk	Delawar Qalai	CDC	Installing a water tank for a defective toilet.
32-3202-M0027-5-a	Khost	Jaji Maidan	Sarukhail	CDC	Constructing a drainage canal at the rear of the school building to prevent the water coming down the hill from reaching the school.
32-3202-M0072-5-a	Khost	Jaji Maidan	Kochkan	CDC	Installing holders on the external cantilever peaks around the school. These were not included in the design drawings but were installed to improve the external appearance of the school building and therefore constitute Extra Works.
32-3208-M0035-5-a	Khost	Nadirshah Kot	Kani Kalai	CDC	The CDC constructed a protection wall on the upper part of the school adjacent to the mountainside.

**Table 10: EQRA sub-projects where our engineers identified Good Practice**

SUB-PROJECT ID	PROVINCE	DISTRICT	CDC / VILLAGE	IMPLEMENTER
32-3202-M0072-5-a	Khost	Jaji Maidan	Kochkan	CDC
<b>DESCRIPTION OF GOOD PRACTICE</b>				
<ul style="list-style-type: none"> <li>Exterior and interior cement plastering.</li> <li>Exterior and interior paint finishing.</li> <li>Reinforced cement concrete (RCC) canti-lever peak above windows and doors.</li> </ul>		<ul style="list-style-type: none"> <li>Roof work (beams, slab, and plastering).</li> <li>5 mm-thick layer of Isogam on the roof</li> <li>Footpath around the school building.</li> </ul>		
SUB-PROJECT ID	PROVINCE	DISTRICT	CDC / VILLAGE	IMPLEMENTER
14-1402-M0131-5-a	Kunduz	Hazrati Imam Sa-hib	Shakh Saleh	CDC

DESCRIPTION OF GOOD PRACTICE
<ul style="list-style-type: none"> <li>• Correct number and size of windows and doors in each classroom.</li> <li>• Correctly installed 120x240 cm black-board in each classroom.</li> <li>• Corridor, main doors, and main and side entrances with handrail.</li> <li>• Chimney in each classroom and teacher room.</li> <li>• Installation of contraction joint for eight- and ten-classroom school building.</li> <li>• Type of wall selected was good.</li> <li>• Exterior and interior cement plastering.</li> </ul>
DESCRIPTION OF GOOD PRACTICE
<ul style="list-style-type: none"> <li>• Installation of windows with Khar wood frame (7x9 cm), fly screen, concrete 1:2:4 under the window frame (5x44x124 cm), and accessories.</li> <li>• RCC cantilever peak above windows and doors.</li> <li>• Floor works including 37 cm compacted soil with gravel followed by 15 cm boulder filling, 4 cm concrete 1:2:4, and one layer of Isogam.</li> <li>• Installation of electrical outlet.</li> <li>• Installation of main panel board/fuse box for the building.</li> <li>• Correct total number of latrine sets.</li> <li>• Wall thickness including plastering of visible concrete masonry unit block (20 cm) and burnt brick (35 cm).</li> </ul>

### Completed sub-projects

Nine of the eleven completed sub-projects had experienced delays due to the non-receipt of funds, unfavorable weather conditions, or Covid-19. One completed sub-project was only partially operational because of damage from an avalanche to one of the classrooms. Of the eleven completed schools, eight had been handed over to the MoE.

**Table 11: Reasons why completed EQRA sub-projects had not been handed over to the MoE**

SUB-PROJECT ID	PROVINCE	DISTRICT	VILLAGE	IIMPLEMENTER	REASON
14-1407-M0089-5-a	Kunduz	Dashti-E-Archi	Abshor	CDC	The school budget has all been spent and most of the school is damaged. The school also did not have a well. As a result, the handover process did not take place.
20-2002-M0063-5-a	Herat	Enjil	Khar Ghaltan	Contractor	The sub-project was about to be handed over to the education directorate of the MoE, but the handover has been delayed due to the recent political changes in the country.
25-2511-M0015-5-a	Zabul	Naw Bahar	Saro	CDC	The water well was not operational and therefore the MoE did not agree to the handover of the sub-project.

### Changes in the CDC

Our engineers did not report any changes in CDC structure for any of the EQRA sub-projects visited since August 2021.

### Disaster risk management

Our engineers identified three sub-projects (two completed, one temporarily stopped) at risk of landslide, with two requiring a retaining wall and one step-cutting. They did not identify any sub-projects at risk of flooding and requiring protective measures.

## Insecurity

During the monitoring period, our engineers observed that three primary schools for boys had been damaged by fighting before August 2021.

**Table 12: Schools damaged by fighting before August 15, 2021**

SUB-PROJECT ID	PROVINCE	DISTRICT	CDC	DESCRIPTION
19-1903-M0109-5-a	Badghis	Qadis	Chaprod Ha	The Taliban planted and detonated a mine inside one of the six-classroom buildings (in April 2020), destroying two classrooms. Cracks have subsequently developed in the slabs and walls of the other classrooms and a section of the school building has collapsed. People say the attack took place because the CDC had not paid protection money.
23-2309-M0195-5-a	Helmand	Nawa-E-Barikzayi	Assadullah Hazar Asp	Damage to the walls, broken main entrance door.
25-2502-M0102-5-a	Zabul	Shah Joi	Soltan Malakhi	Hole in the parapet wall, damage to the front wall plaster, and minor holes in the front wall.

### 6.3.1 Gender

EQRA guidelines required a boundary wall for co-educational schools, girls' secondary schools, and girls' high schools (Girls' secondary and high schools have remained officially closed since August 2021). Of 40 schools visited, 16 were primary co-educational schools with boys and girls attending at the same time. Of these, 15 schools (94%) did not have separate latrines for boys and girls, the reason given being that separate latrines for boys and girls had not been considered in the sub-project proposal or Bill of Quantities.

Of ten schools with both male and female teachers, none had a separate latrine for female staff.

## Other individual findings from THRCP

### Contractor performance

Our engineers found sufficient construction materials on all sites except at Segment Five in Shiber district, Bamyan province. Crushed aggregate was available in Segments One, Two, and Six. Base course was available in all stations in Segment One, and the contractor in Segment Six had around 20,000 cubic meters of sub-base materials on site. Our engineers reported that most materials had been delivered to the sites before August 2021. They also assessed that the available materials were of sufficient quality to use if work resumed.

Our engineers found that none of the contractors had the necessary construction equipment on site for the sub-project except for the contractor in Segment Two, which had 18 dump trucks, two transit mixers, one excavator, one loader, one water tank, one concrete plant, two large rollers, one crane, and 18 mobile mixers.

**Table 13: Contractor performance**

VARIABLE OF INTEREST	SEGMENT ONE	SEGMENT TWO	SEGMENT FIVE	SEGMENT SIX
Contractor has enough asphalt materials on site	Yes	Yes	No	No

VARIABLE OF INTEREST	SEGMENT ONE	SEGMENT TWO	SEGMENT FIVE	SEGMENT SIX
Contractor has the necessary asphalt concrete equipment on site	No	No	No	No
Contractor has an asphalt plant on site	Yes	No	No	No
Contractor has a crush aggregate plant on site	Yes	Yes	Yes	Yes
Contractor's Project Manager on site during monitoring visit	No	No	No	No
Contractor's Quality Control Manager on site during monitoring visit	No	No	No	No
Contractor's Professional Land Survey Manager on site during monitoring visit	No	No	No	No
Contractor's Lab Engineer on site during monitoring visit	No	No	No	No

### Salary and compensation

Our engineers found that the contractors for the four monitored segments had not paid the technical team or the workers for several months. The contractors had also not made any payments to suppliers or machinery owners for several months.

**Table 14: Last payment to workers or suppliers by road segment**

PROVINCE	ROAD SEGMENT	LAST PAYMENT TO WORKERS OR SUPPLIERS
Baghlan	1	7-10 months previously
	2	2-4 months previously
Bamyan	5	2-4 months previously
	6	3-6 months previously

In all segments, the main reason given for not paying workers and suppliers on time was lack of disbursement of funds from the Ministry of Finance to contractors and sub-contractors.

# Annex 12: Economic Sector Monitoring

We have collected economic sector monitoring data continuously since mid-November 2021 in 43 districts in 21 provinces. These 21 provinces were sampled in coordination with the World Bank because they cover Afghanistan’s six largest urban centers and 15 smaller ones. In the first half of 2022, an additional province and seven further districts were included since we also conducted observation-based surveys at border crossings.

During our 1,484 site visits for economic sector monitoring in 2022, we conducted 80,935 interviews, involving many repeat respondents over successive weeks or months, and with some interviews conducted as group interviews. In addition, 3,126 phone interviews were conducted in 2022, which means we conducted 84,061 interviews in total in 2022. Almost all interviewees were male.

**Table 1: Interviews conducted from January to December 2022**

SURVEY TYPE	INTERVIEWS CONDUCTED ON SITE OR BY PHONE	RESPONDENT TYPE	INTERVIEWS CONDUCTED WITH MEN	INTERVIEWS CONDUCTED WITH WOMEN	TOTAL INTERVIEWS CONDUCTED
Banking survey	On site and phone <sup>32</sup>	Bank branch manager	1,527	6	1,533
		Bank customer <sup>33</sup>	6,876	132	7,028
Bank operationality survey	On site and phone <sup>34</sup>	Shopkeeper next to the bank	1,033	1	1,034
		Bank security guard	1,403	-	1,403
		Bank client	182	-	182
		Bank branch manager	341	6	347
Food Items survey	On site and phone <sup>35</sup>	General/grocery store	4,321	1	4,322
		Shop/cart/stall with vegetables	4,330	-	4,330
		Shop/cart/stall with fruits	4,275	-	4,275
		Bakery	3,982	12	3,994
		Butcher (shop with meat)	4,058	-	4,058
		Dairy shop	3,081	15	3,096
Hawala/ foreign exchange survey	On site and phone <sup>36</sup>	Informal currency exchangers	2,503	3	2,506
		Hawala operators	1,691	-	1,691
		Informal currency exchangers and Hawala operators	925	-	925
		Shared taxi/van/rickshaw driver	4,021	1	4,022

32 In November and December 2022, we conducted a total of 12 interviews with bank customers and 2 interviews with bank branch managers by phone in Panjshir.

33 No gender data was available for 20 bank customer interviewees.

34 In November and December 2022, we conducted one interview with a bank security guard by phone in Panjshir.

35 In November and December 2022, we conducted a total of 45 interviews with food vendors by phone in Panjshir.

36 In November and December 2022, we conducted a total of 10 interviews with informal money exchangers by phone in Panjshir.



SURVEY TYPE	INTERVIEWS CONDUCTED ON SITE OR BY PHONE	RESPONDENT TYPE	INTERVIEWS CONDUCTED WITH MEN	INTERVIEWS CONDUCTED WITH WOMEN	TOTAL INTERVIEWS CONDUCTED
Market services survey	On site and phone <sup>37</sup>	Barber	4,019	-	4,019
		Private health facility staff	4,149	8	4,157
		Real estate agent	2,455	1	2,456
		Tailor for men and boys	4,334	2	4,336
		Tailor for women and girls	2,881	173	3,054
		Day laborers (group interviews) <sup>38</sup>	N/A	N/A	1,488
Non-food items survey	On site and phone <sup>39</sup>	Firewood seller (commonly used)	2,420	-	2,420
		Petrol pump/gas station staff/shopkeeper	2,854	-	2,854
		Shopkeeper (fabric) for women and girls	2,917	2	2,919
		Shopkeeper (fabric) for men and boys	2,952	-	2,952
		Shopkeeper (stationery)	2,768	-	2,768
		Shopkeeper (shoes)	2,929	-	2,929
Civil servant salary survey	Phone	Civil servants	2,269	80	2,349
Telecom operators survey	Phone	Telecom operators	532	82	614
		<b>TOTAL<sup>40</sup></b>	<b>82,028</b>	<b>525</b>	<b>84,061</b>

In the following pages, we provide a snapshot of principal findings based on all these interviews. A more detailed overview of our findings in 2022 can be found in our second biannual report, which covers all data collected from January to December 2022.

## Prices and availability of food items and non-food items

Figure 1 shows the Consumer Price Index (CPI) of Afghanistan highlighting the average change over time in both food- and non-food prices<sup>41</sup>. By the second half of 2021, both food- and non-food prices had increased greatly during the year. Figure 1 shows how prices of both food- and non-food items continued to do so in the first half of 2022. Initially, those increases were gradual but in the second quarter of 2022 food prices increased rapidly in April, peaking in June, while prices for non-food items similarly increased in May to June and peaked in July. From July 2022, after a year of continuous price increases, CPI levels finally fell, bottoming in October before food prices started rising again rapidly in the final quarter of 2022, with non-food prices stayed relatively stable. The CPI level in October 2022 was still above price levels at the beginning of the year and far above the price levels seen in the first half of 2021.

37 In November and December 2022, we conducted a total of 53 interviews with service providers by phone in Panjshir. Out of these, four were group interviews with day laborers.

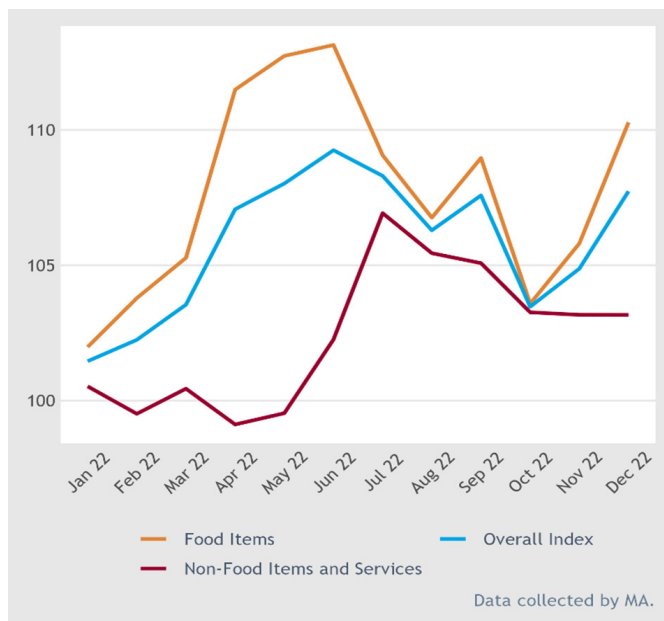
38 No gender data was available for day laborers because these respondents are interviewed through group interviews.

39 In November and December 2022, we conducted a total of 40 interviews with non-food vendors by phone in Panjshir.

40 The total number of male and female interviewees does not equal the total number of interviewees because there was no gender data for day laborers and because gender data was missing for 20 banking customers.

41 The CPI in Figure 1 is based on a weighted basket of food and non-food items that was determined by the World Bank. Data from weeks 48 and 49 of 2021 are used as a base period for the MA CPI calculations.

Figure 1: CPI in 2022



The rapid rise of food prices in the final quarter of 2022 partly reflects seasonality, with winter conditions reducing the availability of food and increasing the difficulties and costs of transporting both food and non-food items due to heavy snowfall and traffic accidents closing major transport routes such as the Salang Tunnel. However, prices also rose because of major increases in food prices in Pakistan resulting from monsoon floods in August. By the end of 2022, non-food prices were three percentage points above the base period of December 2021 (the peak level in Figure 2), but food prices had increased by more than ten percentage points.

Despite significant price increases throughout 2022, our findings indicate that essential food and non-food items were still sufficiently available in local markets, except for wheat flour and toothpaste.

Figure 2: Observed availability of food items in 2022

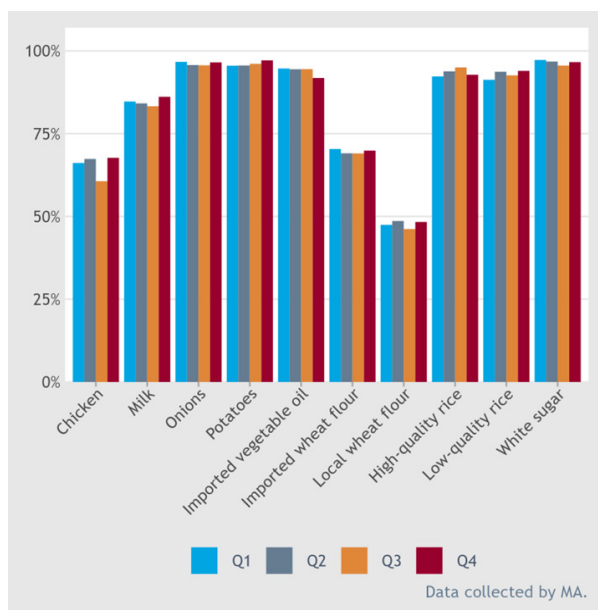
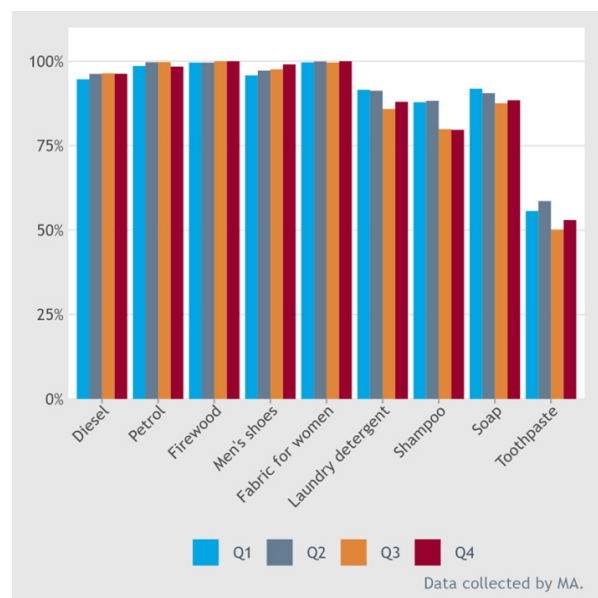


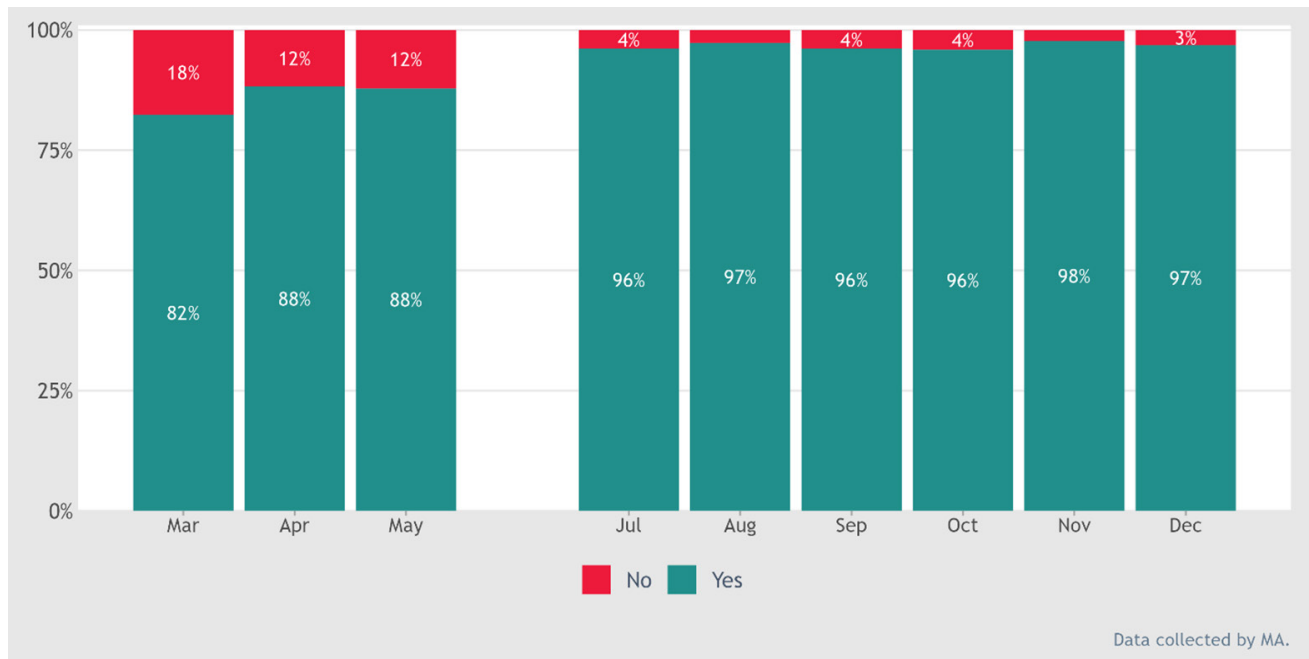
Figure 3: Observed availability of non-food items in 2022



## Information related to Civil Servants

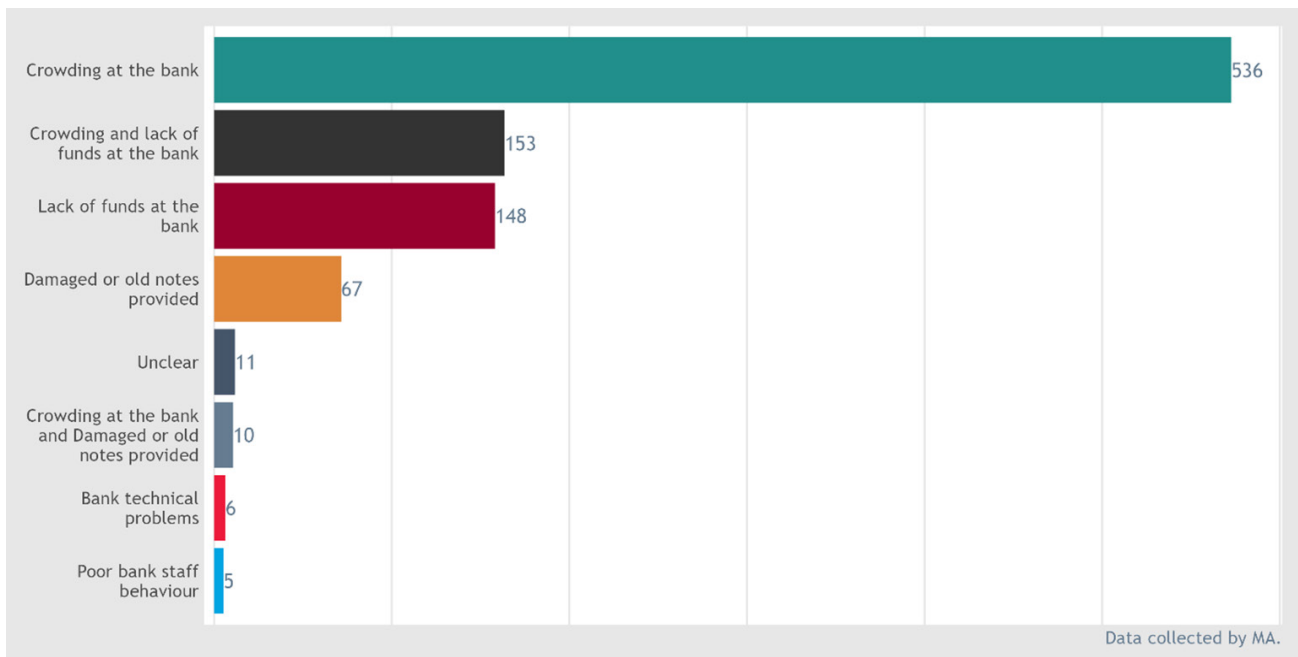
In 2022 we conducted 2,349 interviews during nine months with civil servants in 21 provinces. Of those interviewed by our call center staff most (93%) reported they had been paid in the previous three months. Disaggregated by month across the year, the proportion of civil servants reported they had been paid in the previous three months increased significantly.

Figure 4: Extent to which civil servants said they were paid in the last three months, by month



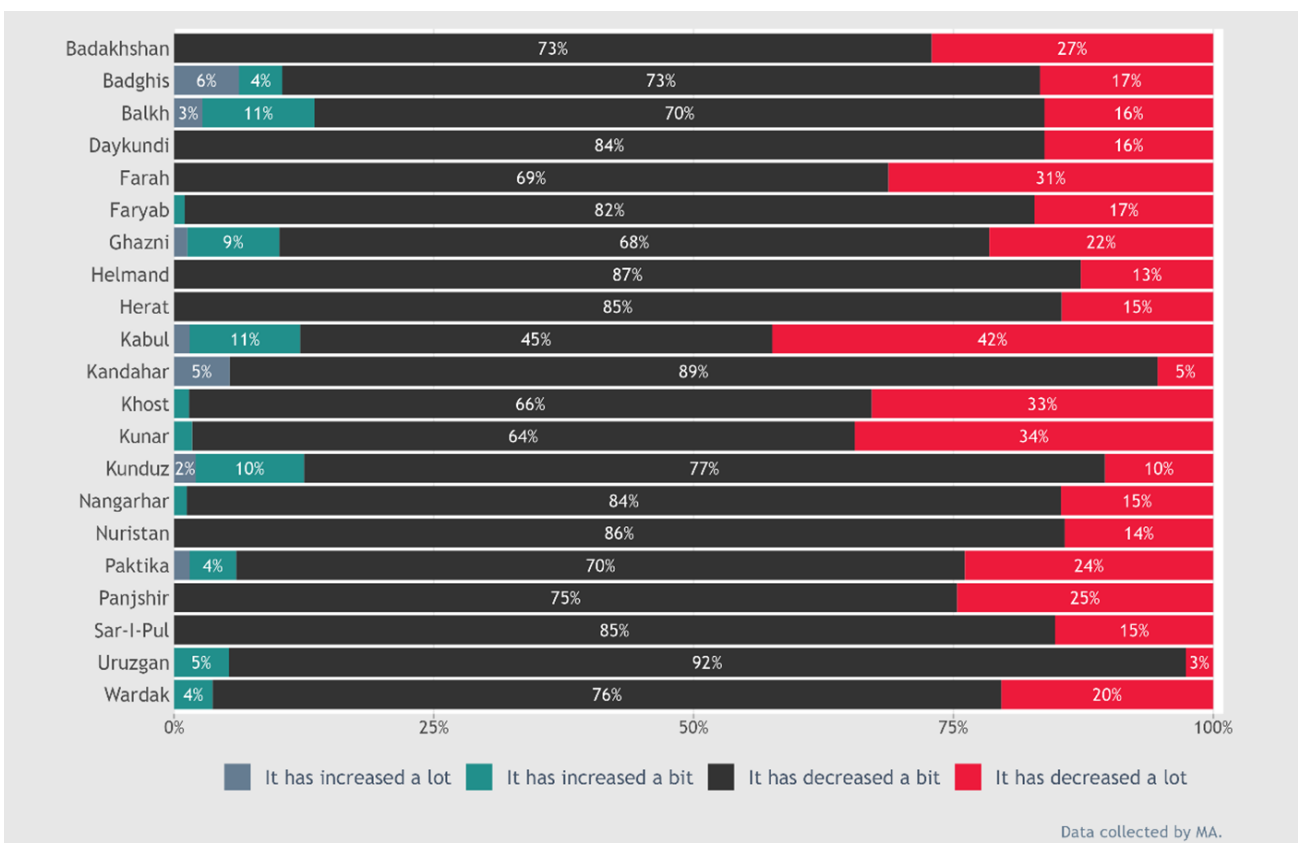
Almost all the civil servants we interviewed reported that they had received full payments for each of the months they had worked. Most of those interviewed (87%) said they had received money through their bank account, 11% in cash, 1% through a combination of bank account and cash, and 1% through *Hawala* operators. In more than half of all interviews we conducted with civil servants in 2022 (58%, n=1,278), civil servants did not highlight any challenges when withdrawing their salaries. Of the other 936 interviews, more than half of civil servants (57%) identified crowding at banks as a main challenge when withdrawing salaries. In 16% of interviews, civil servants blamed a lack of funds at a particular branch. Another 16% referred to both of these as principal challenges.

Figure 5: Challenges civil servants raised when withdrawing their salary at the bank



Almost three-quarters of the civil servants interviewed (71%) were aware of changes to the civil servant salary structure that were made after August 2021. Of these, almost four-fifths (78%) reported that their salary had changed as a result, and of these (96%) said it had decreased.

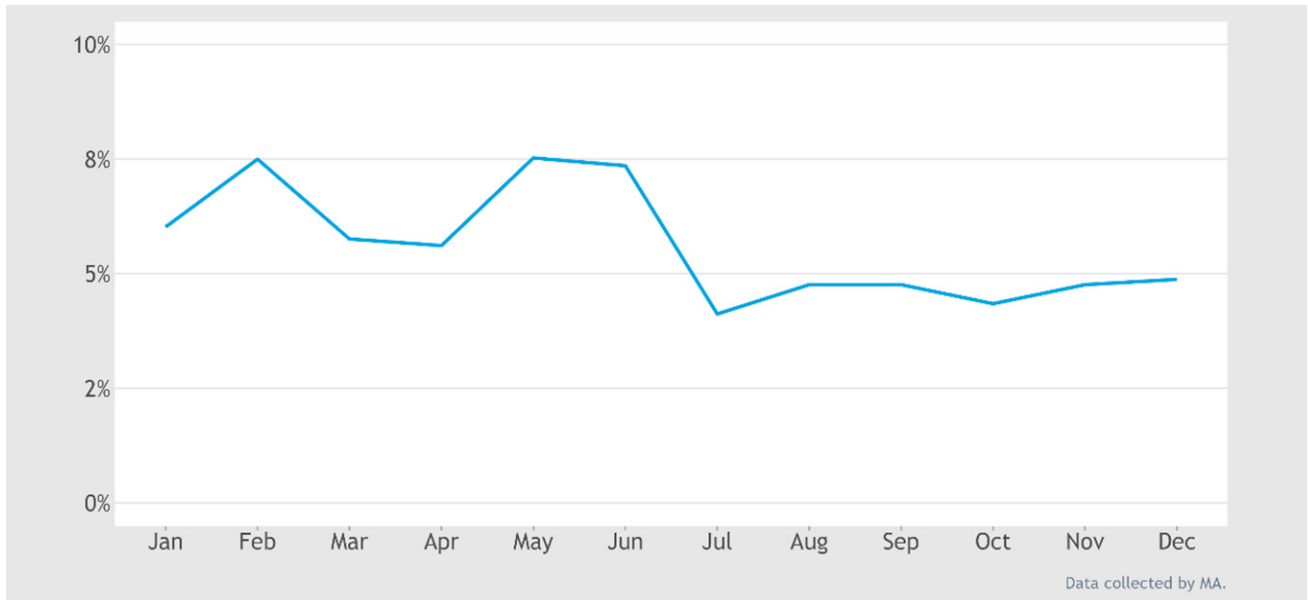
Figure 6: Impact of ITA changes to the salary of interviewed civil servants



## Banking operationality and activities

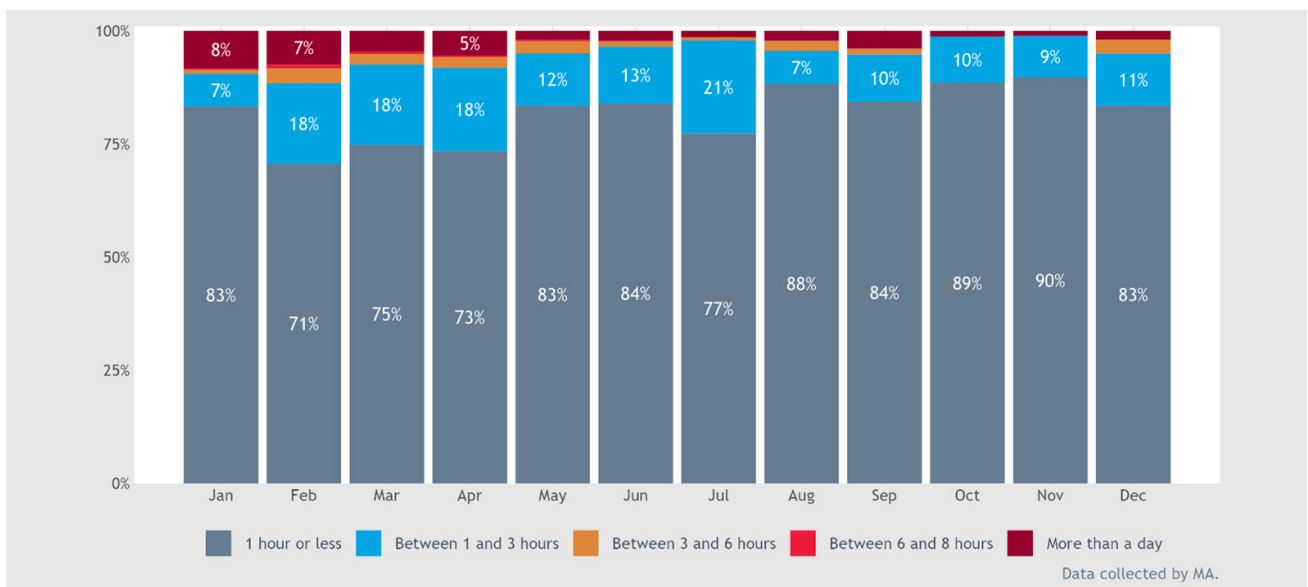
In 2022, we made 1,856 visits across the country to 129 branches belonging to eleven banks.<sup>42</sup> As far as possible, we sought to visit the same branches in each round of data collection. Most branches visited were open (96%, n=1,784), and a large majority of branch managers (83%, n=1,533) were willing to be interviewed.

Figure 7: Proportion of visited bank branches that were closed



On average, more than one in five bank customers in the first half of 2022 (22%, n=972) reported having to wait more than an hour to be served, including 5% (n=226) reporting a wait of more than eight hours. This improved slightly in the second half of 2022 with an average of 15% (n=134) reporting they had to wait more than one hour, with less than 2% (n=18) of these reporting that they needed to wait more than eight hours.

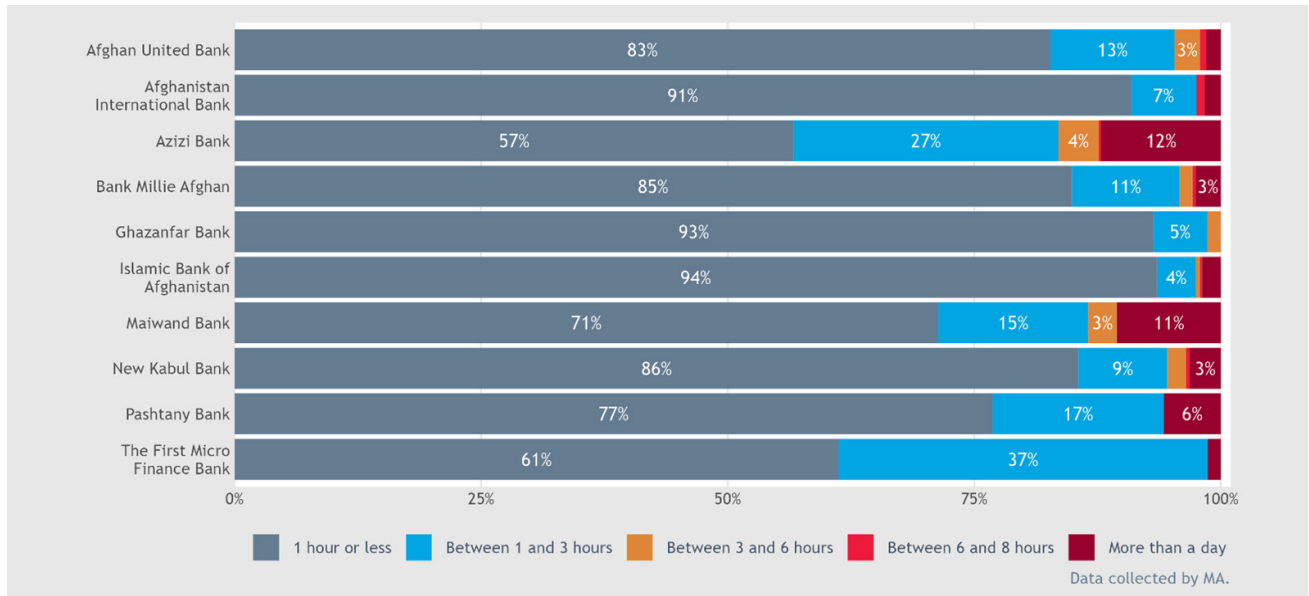
Figure 8: Customers' waiting time at the bank, by month



42 Islamic Bank of Afghanistan, Azizi Bank, Bank-e-Millie Afghan, Ghazanfar Bank, Afghan United Bank, Bank Alfalah, The First Micro Finance Bank, New Kabul Bank, Pashtany Bank, Afghanistan International Bank, and Maiwand Bank.

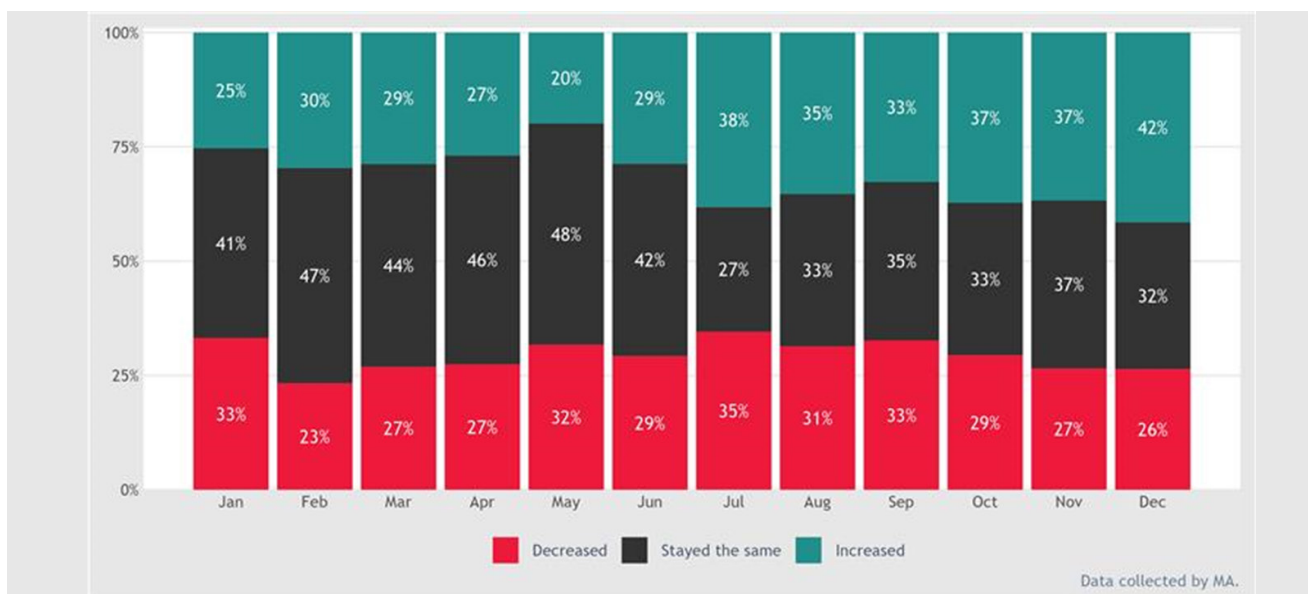
Azizi Bank, Maiwand Bank, and the first Micro Finance Bank were the banks with the longest average waiting times. Azizi and Maiwand Bank also had the highest number of customers saying they needed to wait more than a day to carry out a transaction.

Figure 9: Waiting hours at the bank as reported by bank customers, by bank<sup>43</sup>



In interviews with bank branch managers throughout the year, we asked whether the number of withdrawals had increased or decreased compared to the previous week. In most cases, changes were temporary, with decreases or increases recovering in the following month. The change between June and July is an exception, when volatility in withdrawals appears to have increased as there was a significant decrease in the number of bank branch managers reporting that withdrawals had stayed the same, and an increase in both the number of bank branch managers that reported withdrawals increased and those that reported withdrawals decreased.

Figure 10: Banking withdrawal changes as reported by bank branch managers



43 Only ten banks are shown in Figure 10: we were not able to conduct interviews with customers of Bank Alfalah.

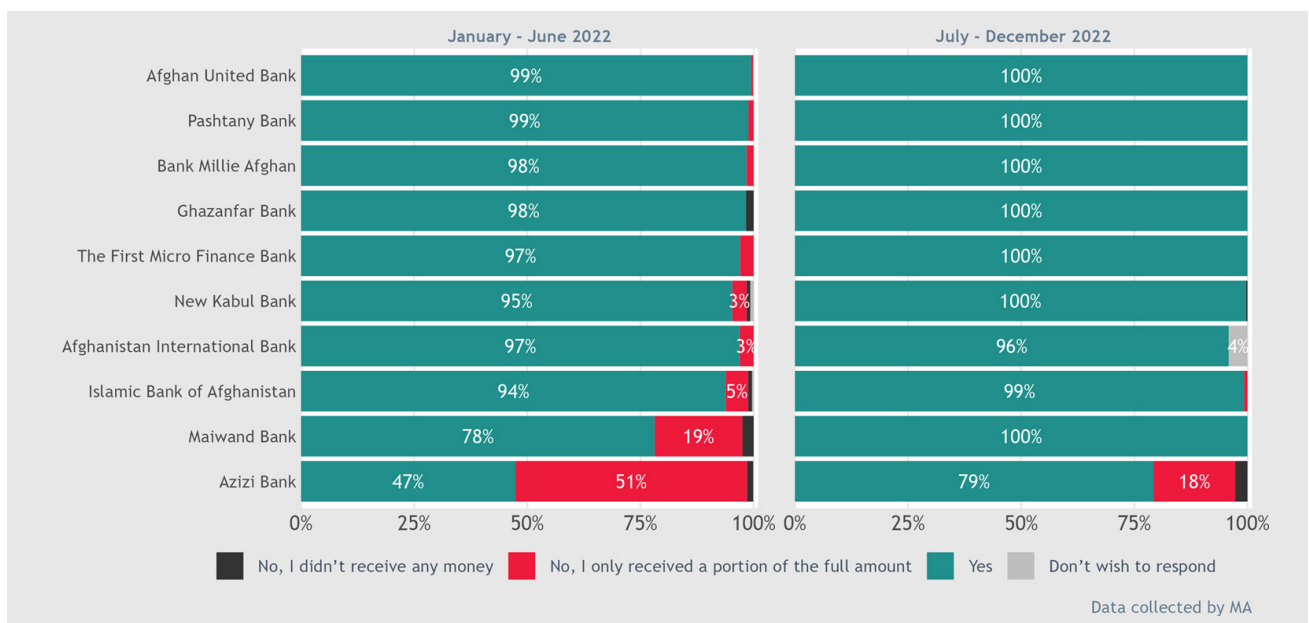
We asked bank customers making a withdrawal from their personal accounts whether they had been able to withdraw the full amount to which they were entitled, based on Da Afghanistan Bank (DAB) withdrawal limits. We found that bank customers’ ability to withdraw the full amount improved significantly over the course of 2022.

Figure 11: Banking customers’ ability to withdraw funds up to the DAB withdrawal limits



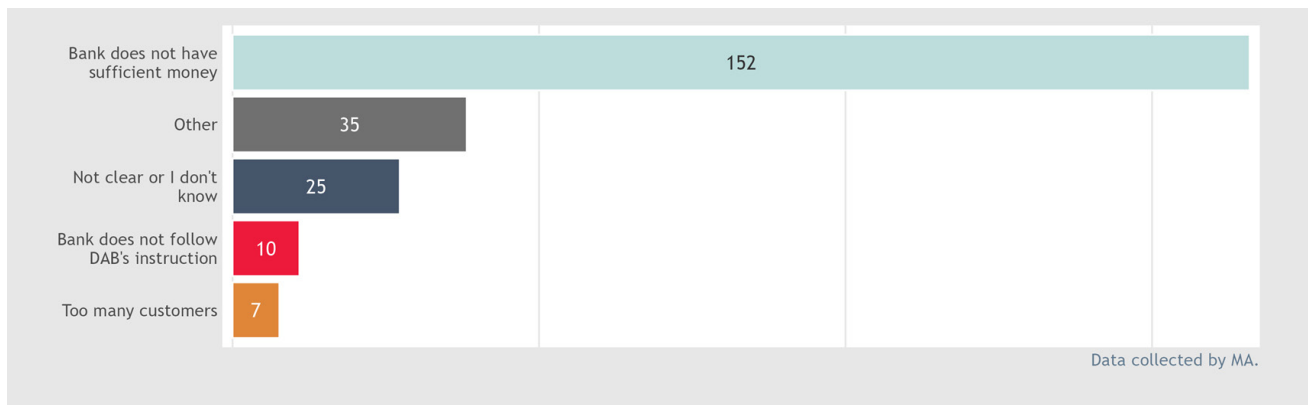
Customers’ ability to withdraw funds depends significantly on the type of bank. In the first half of 2022, more than one-fifth of customers at Maiwand Bank reported they were not able to do so, as did more than half of customers at Azizi Bank. This improved significantly in the second half of 2022, with only one-fifth of customers at Azizi Bank still reporting problems in withdrawing money up to the DAB limit.

Figure 12: Customers’ ability to withdraw up to the DAB limit, by bank



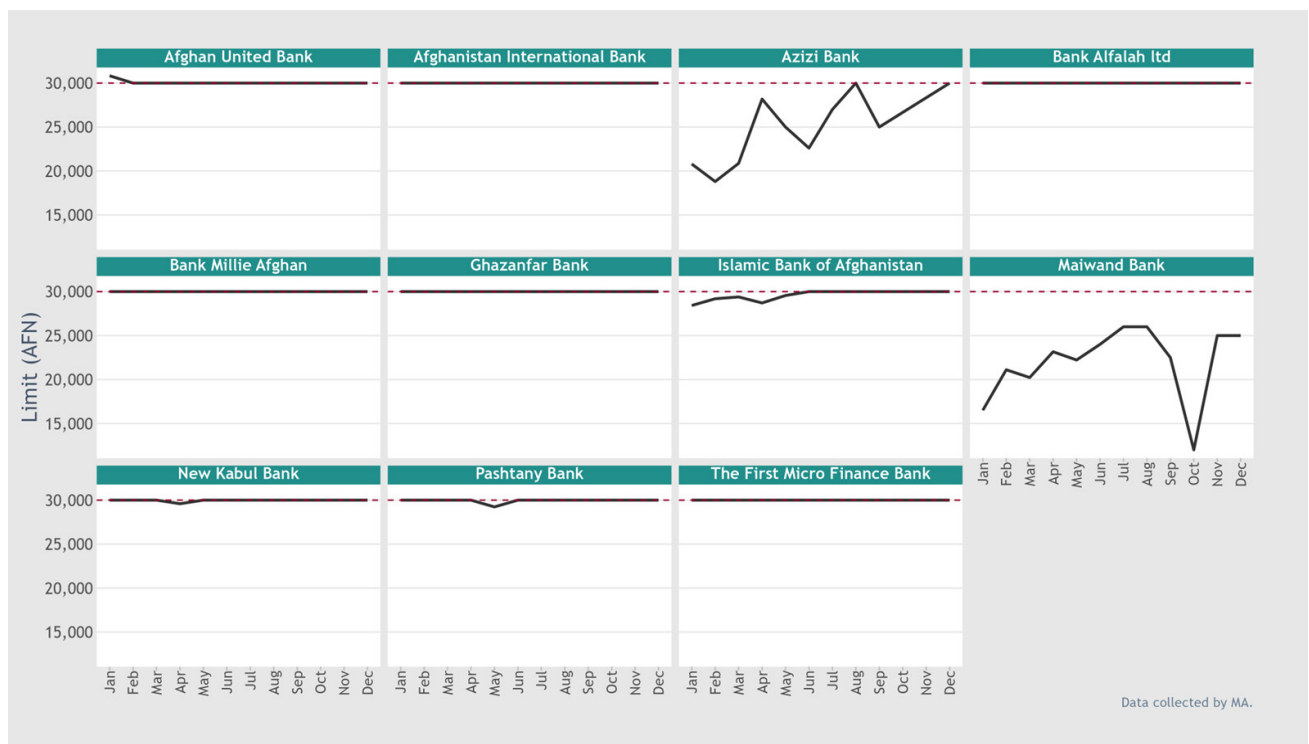
In total, in 2022, of 650 customers reporting they were unable to withdraw the full amount sought, 414 (64%) reported they did not know why, 1% did not want to respond, and 229 (35%) said they knew the reason, two-thirds of whom (66%) said it was because the bank did not have sufficient money.

Figure 13: Reasons given by bank customers for not being able to withdraw up to the DAB limit



When bank branch managers were asked throughout 2022 about DAB’s withdrawal limits of AFN 30,000 per week, all confirmed they were able to do so except for Azizi and Maiwand Banks, and, to a more limited extent, the Islamic Bank of Afghanistan. For these three banks, the limit imposed by bank branch managers increased over the course of 2022 to come more in line with the DAB limit. By the end of the year, bank branch managers of both Azizi and the Islamic Bank of Afghanistan confirmed they were able to meet the DAB withdrawal limit in full.

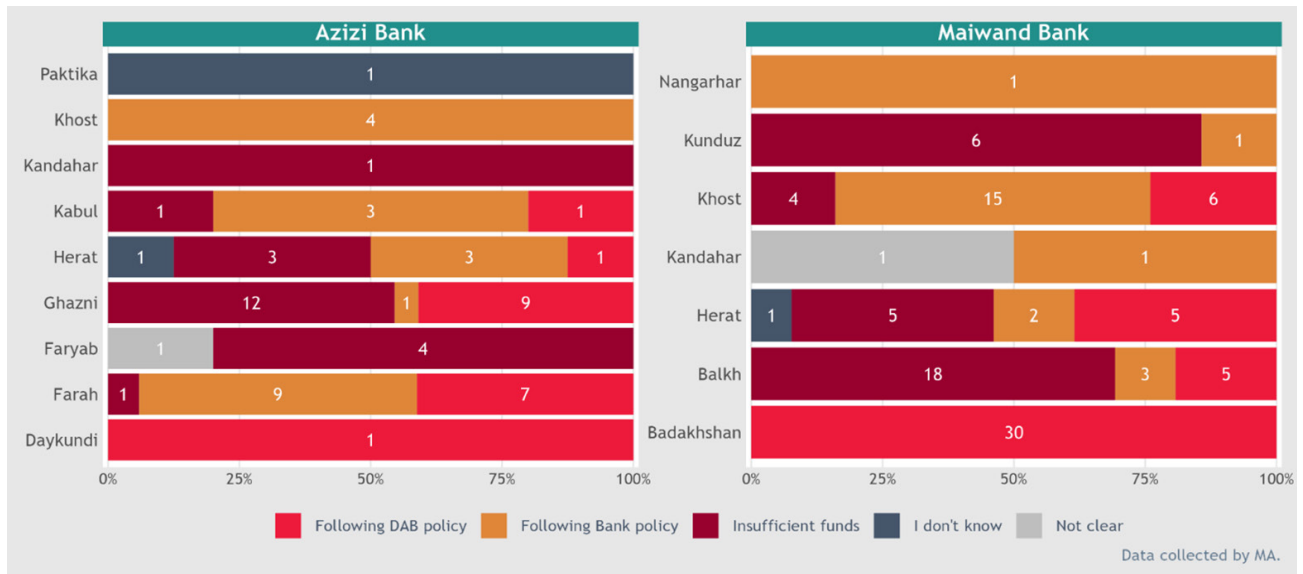
Figure 14: Bank branch withdrawal limits for individual customers



When asked why the limit set by an individual bank manager was lower than that allowed for by DAB, not all branch managers were willing to answer. Figure 16 shows responses from branch managers at Azizi Bank and Maiwand Bank (these banks had the highest number of cases where branch managers applied a branch limit below that of DAB). Some said they were following DAB orders, but it is unclear whether they meant that they had received DAB guidance allowing them to apply a lower limit, or if they were simply denying they were not following the DAB limit. Most managers said they were following the policy of the main branch; others acknowledged they simply did not have enough money to meet DAB limits.



Figure 15: Reasons given by bank branch managers for not following the DAB limit for individual customers



None of the banks surveyed were able to meet the full DAB withdrawal limit for businesses of AFN 2.5 million per week, although Alfalah Bank came closest. Maiwand Bank again performed worst in this regard.

## Hawala operator activities

During 2022, we conducted 1,691 interviews with *Hawala* operators, 2,506 interviews with informal currency exchangers, and 925 interviews with *Hawala* operators who said they were also informal currency exchangers.

We asked *Hawala* operators if they had experienced an increase or decrease in requests for their services compared to the previous month. Results varied significantly by province and by region.<sup>44</sup>

<sup>44</sup> We normally rely on the regional categorization used by the NSIA, but this categorization uses eight regions, which disaggregated the data too much given that we do not collect data in all 34 provinces. For this report we reduced the number of regions to five, as follows: North: Badakhshan, Balkh, Faryab, Kunduz, and Sar-I-Pul; East: Ghazni, Khost, Kunar, Nangarhar, Nuristan, and Paktika; South: Helmand, Kandahar, Nimroz, and Uruzgan; West: Badghis, Farah, and Herat; Central: Daykundi, Kabul, Panjshir, and Wardak. In all these provinces we undertook the same type of data collection, except for Nimroz, where we only collected data for border crossings and did not conduct market visits.

Figure 16: Reported changes in outgoing transactions as reported by *Hawala* operators

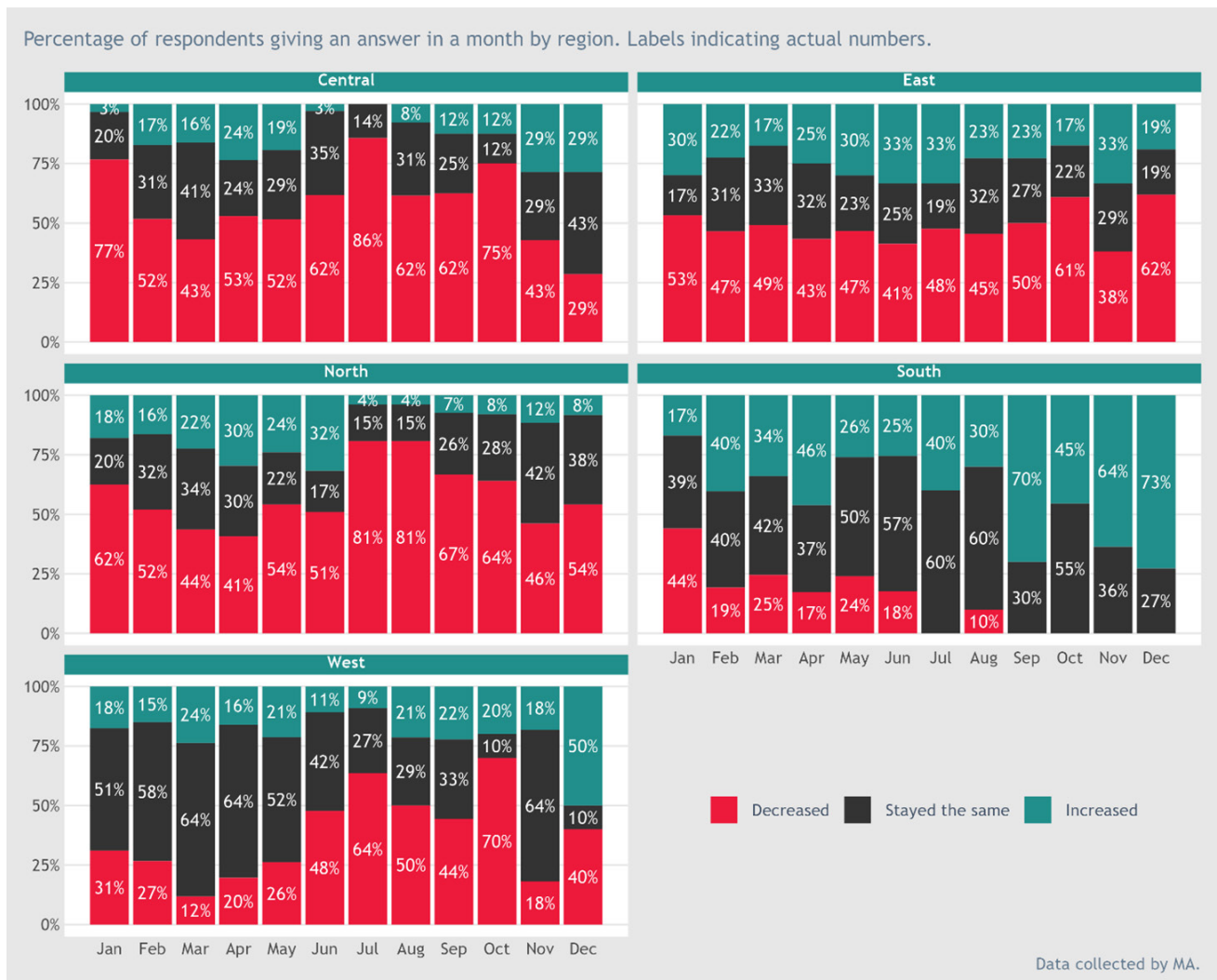
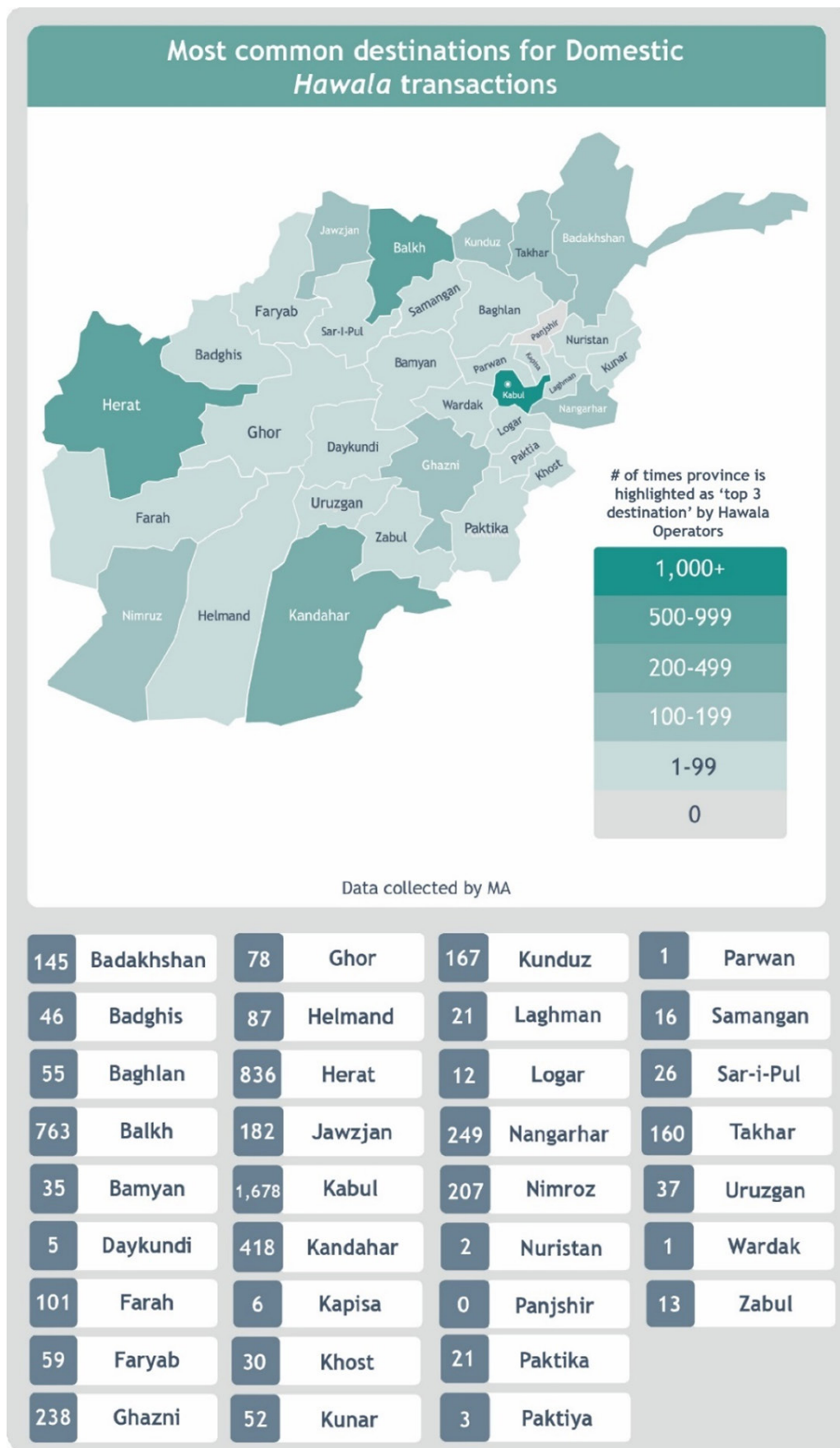


Figure 16 shows that in the Central, North, and West regions of the country, there was an increase in the services for *Hawala* operators up to April-May, a significant decrease from June to August, and a gradual decrease over the rest of the year, although in the West, *Hawala* operators reported an increase at the end of the year. In the East, the demand for *Hawala* services appeared to remain relatively stable for the first three-quarters of the year. In the final quarter, things fluctuated with *Hawala* operators reporting a decrease for their services in October and December, and an increase in November. In the South, there was a clear and consistent rise in the demand for *Hawala* services across the year.

Increases for *Hawala* operators may reflect their taking over services previously provided by banks since August 2021, especially in relation to transferring and receiving money from abroad. Decreases on the other hand, may reflect an overall decrease in economic activity in the regions.

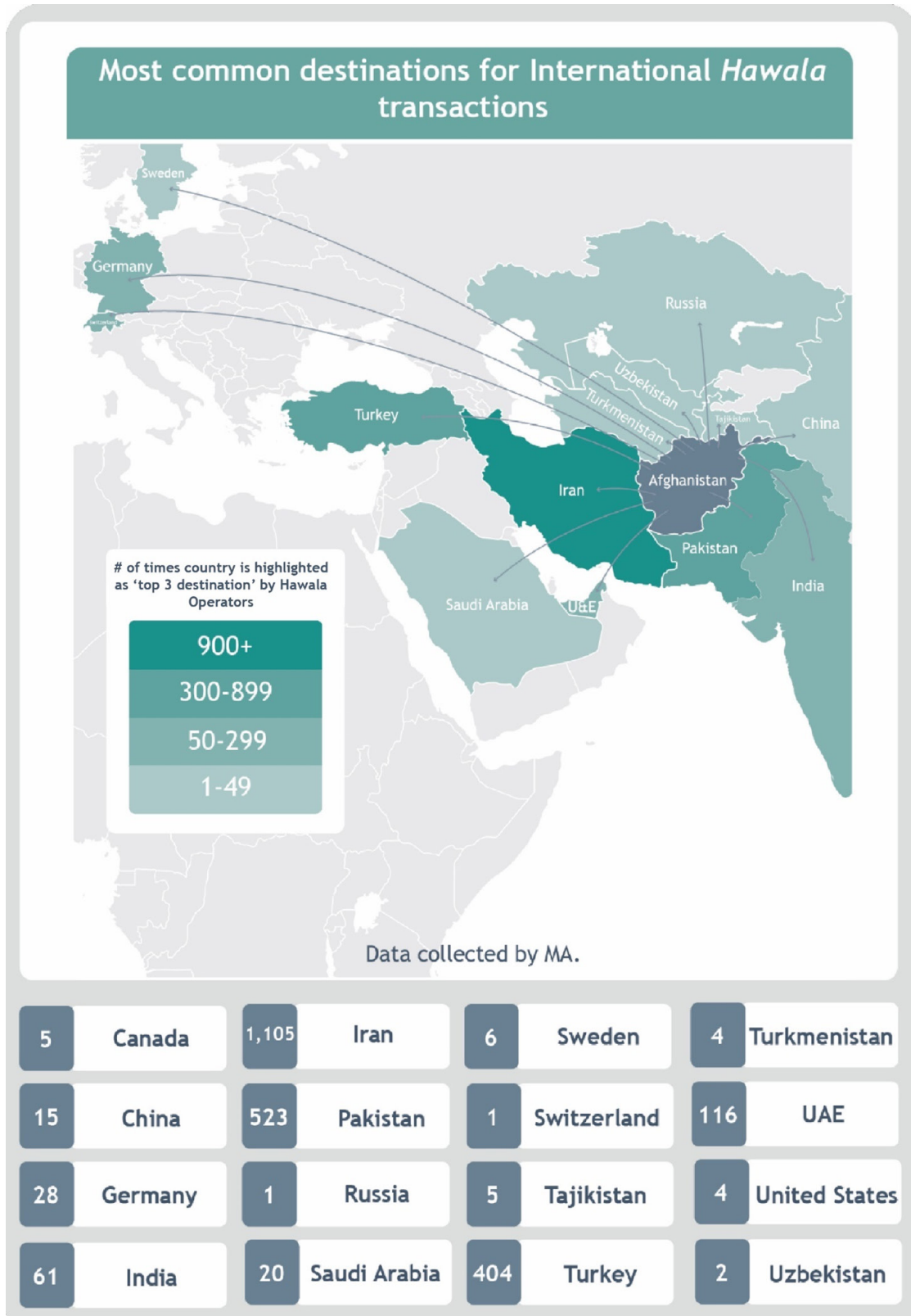
According to *Hawala* operators, the top three domestic destinations in 2022 were Kabul (29% of all domestic transactions), Herat (15%), and Balkh (13%). All provinces in Afghanistan were at least mentioned once by the *Hawala* operators except for Panjshir, which is likely related to continuing unrest in this province.

Figure 17: Most common domestic destinations for *Hawala* operators



The top three international destinations for sending money in 2022 were Iran (48%), Pakistan (23%), and Turkey (18%). The popularity of these domestic and international destinations did not change significantly within the year.

Figure 18: Most common international destinations for *Hawala* operators



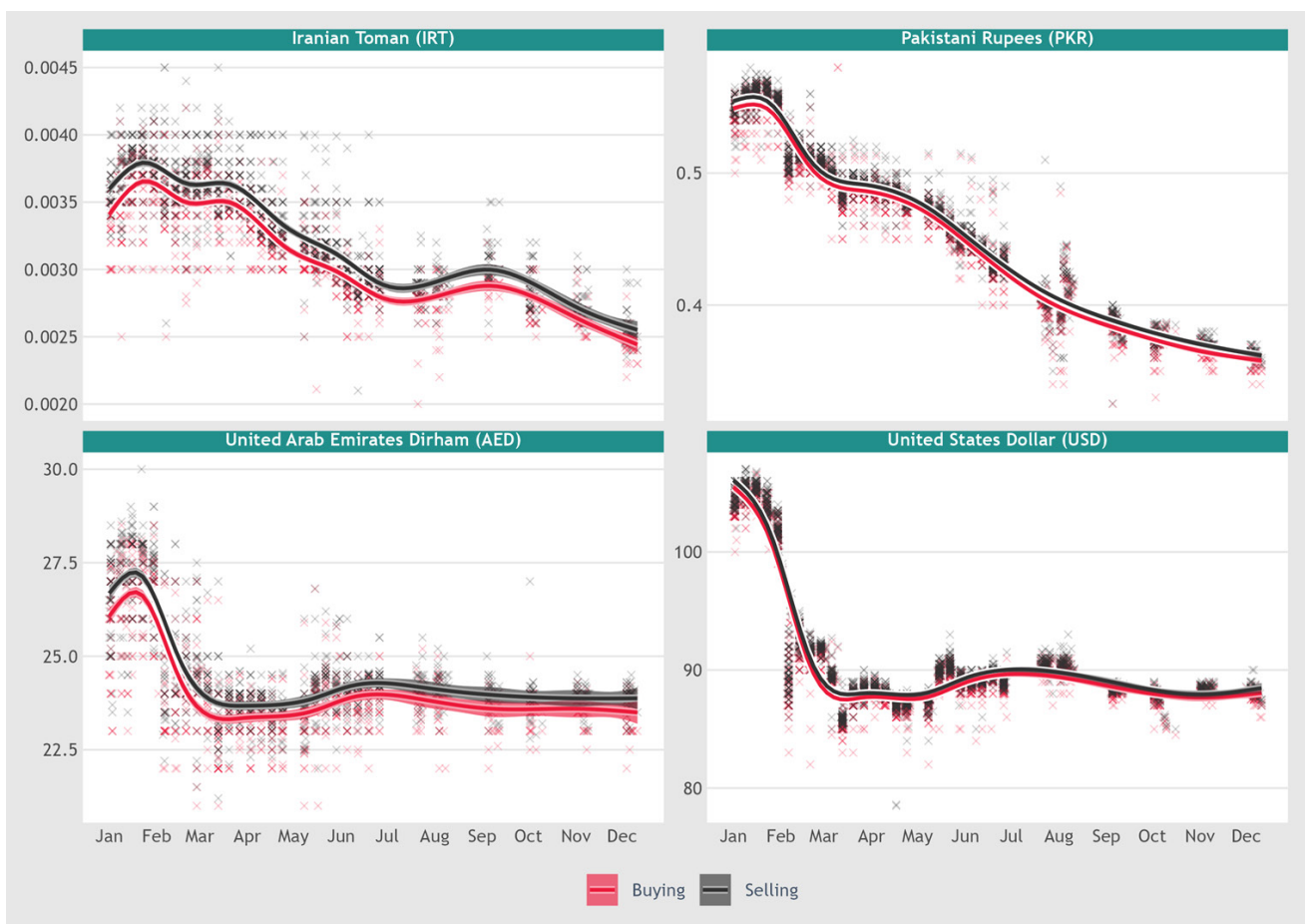
## Exchange rates

In the second half of 2021 the Afghani depreciated significantly against almost all major currencies in the face of market fears around a potential collapse of the country’s banking system, including as a result of restrictions placed by DAB on bank withdrawals.

During 2022, we asked informal currency exchangers about buying and selling exchange rates for the Afghani against the Iranian Toman (IRT), the Pakistani Rupee (PKR), the United Arab Emirates Dirham (AED), and the United States Dollar. Figure 20 shows the Afghani’s broadly consistent appreciation against all four currencies over the course of the year, with a continuing appreciation against the IRT and the PKR in Q3 and Q4, while stabilizing in relation to the USD and AED. This change may reflect a combination of factors:

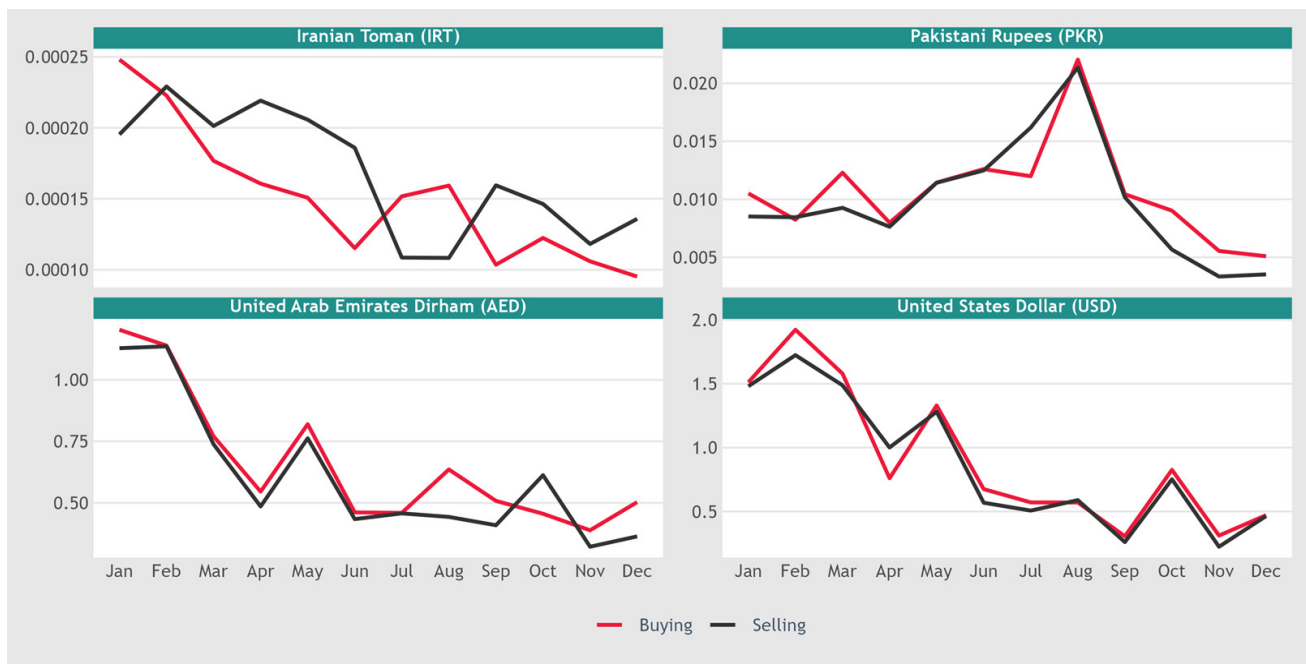
- That the banking system did not collapse, with abating market fears probably contributing to the sharp appreciation of the AFN against three of the four currencies Q1.
- Increased exports of natural resources, especially coal, to neighboring countries, likely explaining the general appreciation against the PKR and IRT throughout 2022.
- The UN-supported supply of USD banknotes from the beginning of December 2021 to the Afghanistan International Bank, totaling USD 1.8 billion by the end of 2022.

Figure 19: Informal exchange rates in Afghanistan 2022 (higher = depreciation)



The volatility of three out of four currency exchange rates peaked in the first two months of 2022, with exception of the Pakistani Rupee. The high volatility of the Pakistani Rupee in September 2022 can likely be attributed to the severe impact of the monsoon rains in Pakistan.

Figure 20: Informal exchange rate standard deviations in Afghanistan 2022

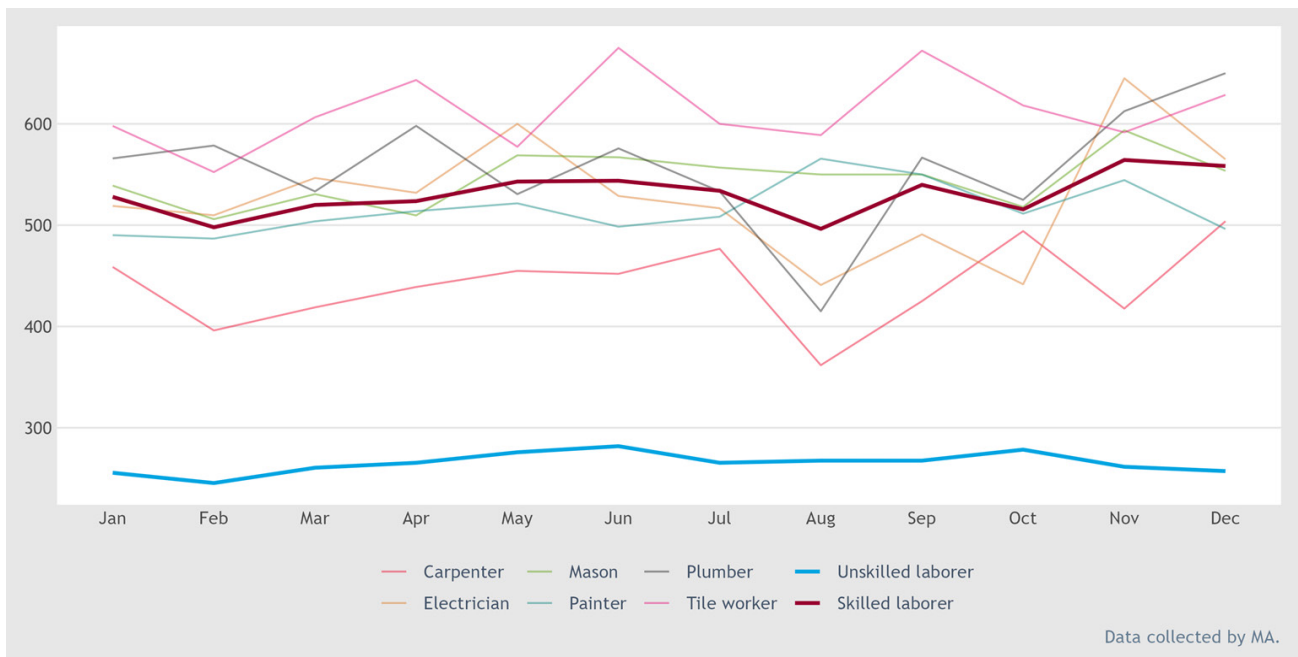


## Wages and employment for day laborers

Day laborers represent more than half of the Afghan workforce; almost all Afghans who are part of the labor force as day laborers are living below or near the poverty line. We carried out monthly group interviews with both skilled and unskilled day laborers across the country, asking them about available work and daily rates. In total, in 2022, we conducted 1,488 group interviews, interviewing 3,342 skilled laborers and 3,456 unskilled laborers.

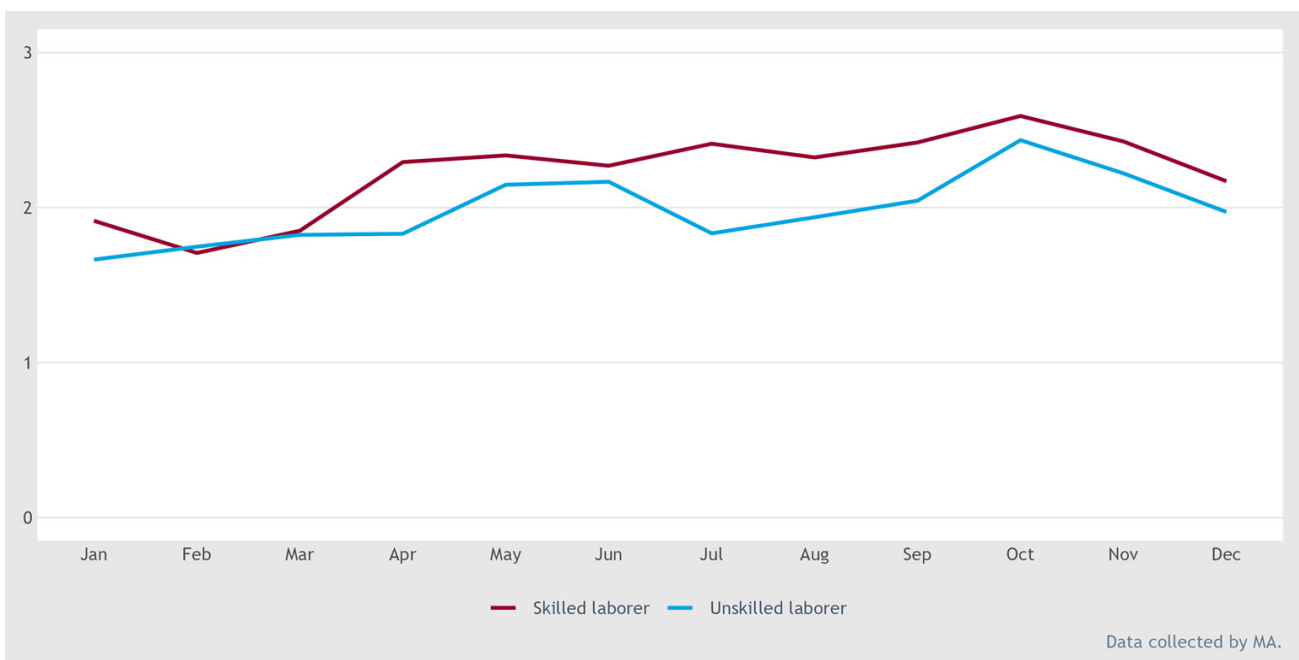
At a national level, Figure 21 shows that the average daily wage for both skilled and unskilled laborers stayed relatively unchanged between the start and end of 2022. There was some fluctuation for skilled laborers, whose daily wage continued to decrease in January 2022, with nominal wages gradually increasing to June, declining until August 2022 then increasing until they closed at a level of AFN 558 per day, slightly higher than at the beginning of the year (AFN 528 per day). There was much less variability in wages for unskilled workers, and by the end of 2022 the average daily wage had only moved marginally from AFN 255 in January to AFN 257 in December. Thus, while daily wages for both skilled and unskilled laborers decreased significantly in 2021, Figure 21 indicates that wages did not improve across 2022 while, prices, especially those of food items, increased significantly in both years.

Figure 21: Daily rate in 2022 for day laborers, by profession



Available employment increased marginally for both skilled workers and unskilled workers in 2022. The decrease at the start of the year probably reflects winter weather affecting construction activity. From February work availability increased from less than two working days per week to almost three by October, before reducing to just above two with the onset of winter. Available employment for unskilled laborers increased from one day of employment per week at the beginning of the year to more than two by May, probably reflecting the sowing seasons for spring wheat (Afghanistan’s major food crop) from March to April, and rice from May to June. Available employment fell back in July before reaching a peak in September and October, when spring wheat and rice are normally harvested in Afghanistan.

Figure 22: Available employment days per week for day laborers by skill type



# Annex 13: Health Sector Monitoring (RHQA)

## Introduction

In 2022, we were tasked with conducting a Rapid Health Quality Assessment (RHQA), with data collection ultimately taking place during September and October. Our assessment focused on facilities covered by the Basic Package of Health Services (BPHS), thus excluding provincial hospitals. We visited 405 facilities managed by 14 Service Providers (SPs) across all 34 provinces.

Our objective was to identify challenges and issues faced by health facilities and to generate evidence-based findings to inform future programming. The RHQA comprised two main activities:

1. An assessment of facilities focused on personnel, infrastructure, medicine, equipment, and waste management practices.
2. Verification of the provision of 16 key services, comparing facility records information from the Health Management Information System (HMIS) to identify discrepancies. We also conducted interviews with a sample of patients for 11 out of 16 services.

In addition to facility visits, we conducted qualitative interviews with 1,526 facility staff by phone to discuss workplace challenges, asking about job satisfaction, perceptions about current health services, and views about the future.

To verify HMIS data at community level, we conducted household surveys to verify that patients had received the services recorded. We located 87% of households sampled, completing 15,795 household surveys. We collected HMIS facility data and compared them with data from health registers and findings from household surveys.

We explored qualitative issues faced by health facility staff, such as challenges around the delivery of services and salaries. Using both qualitative and quantitative methods, we were able to obtain a comprehensive picture of healthcare progress and challenges, able to serve as a basis for improving the quality of healthcare services and enhancing the health outcomes of the Afghan population.

Overall, we found that despite facing significant challenges, Afghanistan's health facilities are still operational and providing valuable services.

## Sampling strategy

An overview of the activities, tools, respondents, and interviewers for health sector monitoring can be found in the below table.



Table 1: RHQA site visits, respondents, and enumerators by data collection tool

Activity	Data collection tool	Activity	RESPONDENTS			DATA COLLECTION TEAM			
			Women	Men	Total	Women	Men	Total	
Health Facility Assessment	Individual interview	Phone survey	619	907	1,526	22	0 <sup>45</sup>	22	
	Personnel assessment	Site Visit	22	383	405 <sup>46</sup>	27	37	64	
	Medicine, equipment, and infrastructure	Site Visit	138	860	998	30	35	65	
	Waste management	Site Visit	87	318	405	28	24	52	
Service Provision Verification	HMIS verification	Site Visit	3,012	2,783	5,795 <sup>47</sup>	199	65	264	
	Household survey for patient verification	Site Visit	12,634	3,161	15,795	184	51	235	
<b>TOTAL</b>			<b>16,200<sup>48</sup></b>	<b>16,512</b>	<b>8,412</b>	<b>24,924</b>	<b>224</b>	<b>67</b>	<b>291<sup>49</sup></b>

Our sampling strategy comprised three components: sampling of Facilities, sampling of Facilities staff through individual phone interviews, and of sampling of households to conduct patient verification.

### Sampling of Health Facilities

We stratified the sampling of 405 Facilities, distributing the total sample across all 34 provinces. Using criteria set by the World Bank, we aimed to select one District Hospital (DH), three Comprehensive Health Centers (CHCs), four Basic Health Centers (BHCs) and four Sub-Health Centers (SHCs) in each province for a total of 12 Facilities per province. To select specific Facilities, we applied a random sampling technique, stratified by facility type and province. In provinces where the number of Facilities of a given type was below the number set for sampling, we did not replace these with other Facility types. For example, in Nimroz and Khost, we did not visit a DH as there was no DH in the sample provided. In Laghman and Panjshir, we visited only two CHCs in each province because there were no additional CHCs in these provinces to sample. We sampled a CHC in Laghman that by the time of the visit had been upgraded to a DH, so visited two DHs in Laghman. As a result, we visited 12 health facilities with exception of Khost, Nimruz, and Panjshir where we visited 11 health facilities each instead.

### Individual interviews

To better understand the challenges faced by staff in the Facilities that may affect their ability to perform their duties, our call center agents conducted remote key informant interviews with Facility staff. From an initial sample of 1,678 Facility staff, we completed 1,526 interviews. We were unable to conduct the remaining 152 as a result of issues such as telecom connectivity, female respondents not having their phone with them, and incorrect or inaccessible telephone numbers. While we aimed for at least 50% of female respondents, less than half of the staff for whom we received contact details were women. Ultimately,

45 Five male enumerators were trained as a back-up on case some male respondents preferred not to be interviewed by women, but they were not required.

46 Data for personnel assessment; medicine, equipment, infrastructure; waste management; and HMIS verification were collected during the same site visit.

47 Note that for HMIS Verification, 5,795 is the unique number of interviews given about individual services. The same staff member may have given responses relating to more than one service, so the true number of unique individuals interviewed may be lower.

48 16,200 is the total count of activities of RHQA: 405 health facility visits + 15,795 in-person surveys with patients or community members

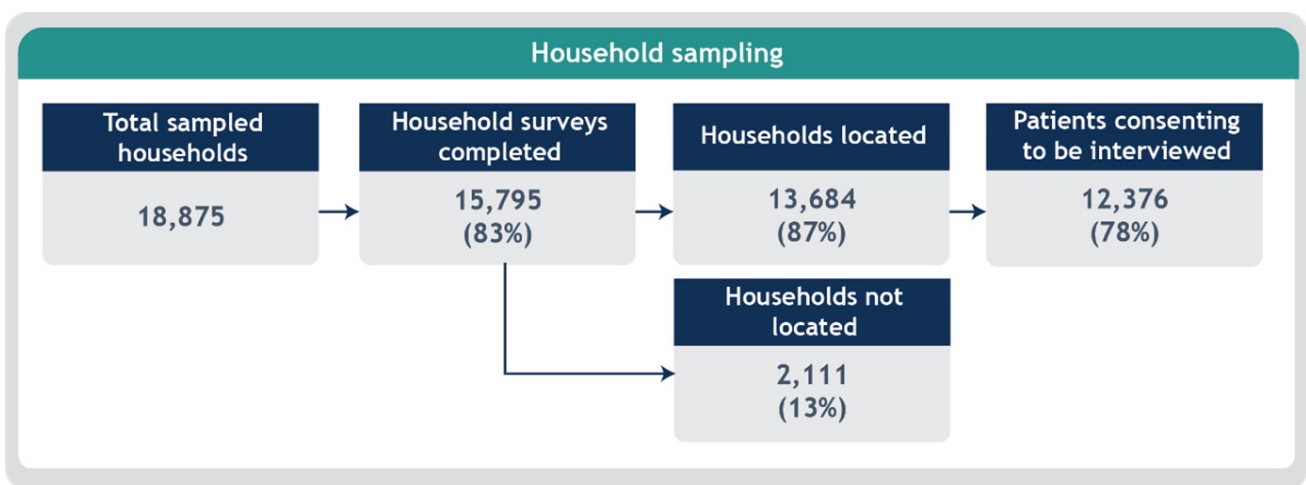
49 This figure is the unique count of all enumerators and call center agents. We also hired one monitor in each province making a total of 34 monitors.

women comprised only 41% of 1,526 staff members interviewed.

### Patient household surveys

Using a simple random sampling blended with multi-stage systematic sampling technique, we selected five patients from the Health Register for each of 11 health services at each Facility. Our sample was based on figures recorded in HMIS for March 2022. We did not plan for any buffer samples where a patient could not be traced as one of our objectives was to identify how many patients were untraceable. Where we could not locate a household, we continued the survey by interviewing a community member and asking follow-up questions about the household. Thus, the number of surveys completed exceeds the number of households located.

Figure 1: RHQA Household sampling



## Health facility assessment

### Personal Assessment

In the personnel assessment, we conducted interviews with 404 respondents<sup>50</sup>, 87% of whom were Facility heads or administrators, while the remaining 13% held various other positions. Besides interviews, we also reviewed human resources records from June 2021 and August 2022. However, personnel attendance records for June 2021 were unavailable for three Facilities, so we have personnel data for 401 Facilities from June 2021 and data for all 404 Facilities from August 2022.

### Staff levels and movements, and availability of female healthcare workers

Overall, staff levels for both technical and non-technical positions have remained relatively constant. In June 2021, the 401 Facilities we collected data, employed 5,405 staff members, which increased to 5,411 by August 2022.

A total of 14 provinces experienced an increase in staff between 2021 and 2022 (average n=9), with the most significant increases in Paktiya (+30 staff) and Farah (+21). Staff levels decreased in 18 provinces (average n=7), with the largest reductions in Paktika (-22) and Ghor (-16). Helmand and Kandahar reported no change in the total number of staff.

The table below compares the percentages of BPHS thresholds met for individual positions with the number of Facilities meeting those thresholds. A substantial disparity between the two indicates that some Facilities

<sup>50</sup> The head of one SHC in Uruzgan did not provide consent to provide information for personnel assessment.

are significantly overstaffed according to BPHS guidelines, while others are considerably understaffed. This difference is most noticeable among Dentists, Pharmacists, and Doctors/General Practitioners, as well as Surgeons, Physiotherapists, and Vaccinators.

**Table 2: Overall staffing requirement met and Facilities meeting BPHS threshold, August 2022<sup>51</sup>**

POSITION (RECOMMENDED FOR FACILITY TYPE)	PERCENTAGE OF BPHS STAFFING THRESHOLD MET	PERCENTAGE OF FACILITIES MEETING BPHS STAFFING THRESHOLD
Administrator (DH, CHC)	102	91
Anesthesiologist (DH)	106	91
Anesthetist (DH)	15	12
Cleaner/Guard	109	93
Community Health Supervisor (DH, CHC, BHC)	93	91
Dentist (DH)	132	88
Doctor/General Practitioner (DH, CHC, BHC)	97	65
Driver (DH, CHC)	102	91
Gynecologist (DH)	47	41
Health Educator (DH)	24	21
Laboratory Technician (DH, CHC)	107	97
Midwife / Community Midwife	101	93
Nurse	91	74
Nutrition Counselor (DH)	100	82
Pediatric Specialist (DH)	79	76
Pharmacist (DH)	124	91
Pharmacy Technician (CHC)	90	90
Physiotherapist (DH)	65	42
Psychological Counselor (CHC)	86	85
Surgeon (DH)	118	91
Vaccinator (DH, CHC, BHC)	114	93
X-Ray Technician (DH)	112	97
<b>Average<sup>52</sup></b>	<b>100</b>	<b>84</b>

In cases where Facilities had a higher number of staff than required based on BPHS thresholds, 80% of respondents attributed this to hiring additional staff to address increased demand, including recruiting staff for the same position to cover shifts. Other factors mentioned were the hiring of more junior staff instead of fewer senior staff (50%) and increased staff recruitment due to political pressure (15%). The fact that some positions with the most significant discrepancies between staff numbers and Facilities meeting BPHS standards are only based in District Hospitals could be a contributing factor.

While the overall staffing levels (100%) and the percentage of Facilities meeting the required staffing threshold (84%) showed positive results, three positions experienced notable shortfalls: Anesthetists, Health Educators, and Gynecologists.

<sup>51</sup> Values below 50% are shaded.

<sup>52</sup> We have taken the overall average percentage when results value is NOT disaggregated such as by Facility type because there are many more CHCs than DHs.

In general, 84% of Facilities met the BPHS staffing threshold. However, DHs (74%) and BHCs (81%) performed significantly worse than SHCs and CHCs (90% and 91%, respectively).

### Availability of female healthcare workers

Overall, more than one-third (37%, n=2,009) of Facility staff were female. This was heavily concentrated in positions such as Midwives (99%, n=601), Nutrition Counselors (95%, n=389), and Gynecologists (90%, n=19). Among the 27 Pediatric Specialists working in District Hospitals, none were women, and only one surgeon and three Dentists were women. Approximately one-fifth of General Practitioners (21%, n=82), 34% of Nurses (n=244), and 35% of Vaccinators (n=258) were women.

### Staff positions, departures, absence, and replacements

When comparing staffing between 2021 and 2022, 85% of staff (n=4,586) from 2021 continued working in the same position a year later, a trend consistent across all Facility types. The main reasons for permanent job departure across all Health Facilities are shown in the below table.

**Table 3: Main reasons for permanent job departure**

REASON FOR LEAVING JOB	RESPONDENTS	PERCENTAGE OF RESPONDENTS
Staff resignation	289	36
Securing employment	134	17
Staff transfer to other facility	102	13
Dismissal by the ITA	82	10
Other <sup>53</sup>	74	9
Leaving Afghanistan	69	9
Uncertain	45	6
<b>TOTAL</b>	<b>795</b>	<b>100</b>

### Health Facility staff challenges, concerns, motivation level and job satisfaction

In order to identify the challenges, concerns, and motivation levels experienced by staff, we carried out phone interviews with 1,526 Facility staff. The majority of respondents were vaccinators (20%, n=310), midwives (19%, n=286), or nurses (19%, n=293). Among the respondents, 41% (n=619) were women.

#### Challenges facing staff

Over half of the respondents reported facing work-related issues and challenges, including shortages of medicine, supplies, and necessary infrastructure, as well as heavy workloads. Around 56% (n=859) of respondents provided a total of 1,655 examples of obstacles hindering their effective work, while the rest (n=667) did not mention any work-related challenges.<sup>54</sup>

Among those reporting challenges, nearly a third (31%, n=267) pointed out medicine shortages, which were noted in all provinces but most frequently in Faryab (41%, n=20), Jawzjan (38%, n=19), and Ghor (38%, n=15). The lowest responses regarding this issue (2% each) came from Samangan, Nuristan, and Laghman. Our observation also confirmed that Jawzjan had the lowest percentage of in-date medicines (8%).

Lack of infrastructure facilities, such as water or electricity, were cited by 29% (n=253) of respondents. These issues were reported across all provinces but most frequently in Badghis (37%, n=15) and Sar-I-Pul (33%, n=15). The remote location of Facilities was also brought up as a concern by nearly a quarter of

<sup>53</sup> This includes staff relocating to another facility due to insecurity or feeling unsafe, salary suspensions or reduced salaries, female staff resigning, or the passing away of staff members.

<sup>54</sup> Staff could provide more than one response.

respondents (23%, n=200), with half of the respondents in Nuristan (50%, n=8) and almost half in Kabul (43%, n=35) mentioning this issue. Shortages of medical supplies were cited by 18% (n=156) of respondents, with slightly higher response rates from Ghor (23%, n=9) and Kapisa (21%, n=10). Staff shortages were mentioned by 19% (n=165) of respondents, primarily from Logar (26%, n=12) and Khost (22%, n=9). Lower salaries were raised as a concern by 11% (n=95) of respondents, with 24% of them coming from Parwan (n=12) and 22% from Sar-I-Pul (n=10).

### Motivation and concerns

When inquired about their motivation levels at work since August 2021, over two-thirds of respondents (69%, n=1,062) indicated feeling more or significantly more motivated.

**Table 4: Health Facility staff levels of motivation**

MOTIVATION LEVEL	RESPONDENTS	PERCENTAGE OF RESPONDENTS
Considerably more motivated	616	40
More motivated	448	29
No change in motivation	295	19
Less motivated	127	8
Considerably less motivated	40	3
Total	1,526	100

When asked about their concerns regarding the future of healthcare in Afghanistan, 52% (n=797) of respondents shared 1,134 distinct responses expressing concerns about the future of health service delivery in the country<sup>55</sup>. The primary concern across all Facility types was the uncertainty about health sector funding.

**Table 5: Concerns about the future of health service delivery in Afghanistan**

CONCERN TYPE	RESPONSES	PERCENTAGE OF RESPONSES
Unsure about health sector funding	275	24
Fear of the current situation continuing	235	21
Reduced access to medicine, medical supplies, or health services	180	16
Salary suspension	140	12
Insecurity	96	8
Continued issues for women patients or staff, (e.g., new policies requiring a <i>mahram</i> or <i>burqa</i> etc.)	65	6
Lack of medical experts or doctors at Facilities	65	6
Worried about the future of health services	43	4
Increased number of disease outbreaks	35	3
Total	1,134	100

### Job satisfaction and perceived improvements in the health sector

Nearly all respondents expressed moderate or high satisfaction with their jobs, with only a slight difference between women and men.

<sup>55</sup> Staff could provide more than one response.

**Table 6: Level of reported job satisfaction, by gender**

LEVEL OF SATISFACTION	FEMALE RESPONDENTS		MALE RESPONDENTS		TOTAL	
	#	%	#	%	#	%
Very satisfied	427	69	647	71	1,074	70
Moderately satisfied	182	29	243	27	425	28
Not satisfied	10	2	15	2	25	2
<b>Total</b>	<b>619</b>	<b>100</b>	<b>905<sup>56</sup></b>	<b>100</b>	<b>1,524</b>	<b>100</b>

Men were significantly more likely than women to state that the health sector had improved over the past year. Comparable proportions of men and women reported that they believed it had deteriorated. Among all respondents, two-thirds (68%, n=1,032) indicated that the health sector had improved within the past year, 18% (n=273) reported no change, and 12% (n=184) stated it had worsened. Specific areas of improvement included regular medicine supply, updated Facility services and physical resources, consistent salaries, and enhanced security. Negative aspects mentioned were reduced salaries, a shortage of expert staff, disrupted medicine supplies, and nutritional issues due to poverty. Women, however, were less likely to think that the sector had improved compared to men.

### Receipt of salaries

Almost all respondents reported receiving their salaries in the previous three months prior to data collection, but ten percent of staff reported having only received partial payments or no payment at all. BHC staff were more likely to have received their full salaries.

Out of 1,523 staff interviewed, the majority (90%, n=1,366) reported receiving full salary payments for each of the previous three months. However, partial payments affected all Facility types and occurred in each of the three months examined. BHC staff were the least affected (6%, n=31).

By Facility type, 91% (n=433) reported receiving their full salary for each of the preceding three months, compared to 87% (n=196) for SHCs.

While salary levels remained consistent for most respondents, 455 staff across 33 provinces reported an increase, with the highest number of individual responses coming from Balkh (n=39). Meanwhile, 225 staff in 27 provinces reported a decrease, with the most individual responses coming from Parwan (n=27).

### Staff proposed solutions to health sector challenges

Nearly one-third of staff identified providing an adequate supply of medicine and medical equipment as the primary way to promote high-quality health services. In total, three-quarters (76%, n=1,161) of respondents offered 1,573 suggestions aimed at improving the quality of health services in Afghanistan.

**Table 7: Proposed solutions to promote quality health services**

DESCRIPTION OF PROPOSED SOLUTIONS	RESPONSES	PERCENTAGE OF RESPONSES
An adequate supply of medicine, equipment, and resources	503	32
Capacity building of existing staff	191	12
Sustained or improved health sector service quality	168	11
Recruit more medical professionals	150	9
Timely and reasonable salaries of medical and non-medical staff	140	9

<sup>56</sup> Two respondents chose not to provide an answer.

DESCRIPTION OF PROPOSED SOLUTIONS	RESPONSES	PERCENTAGE OF RESPONSES
Increased health and hygiene awareness among people	132	9
Sustained health sector financing	125	8
Facilitate women’s access to work or services at Facilities	82	5
Improve the security situation for the health sector	50	3
Donors’ support to sustain and perform health sector services	32	2
<b>Total</b>	<b>1,573</b>	<b>100</b>

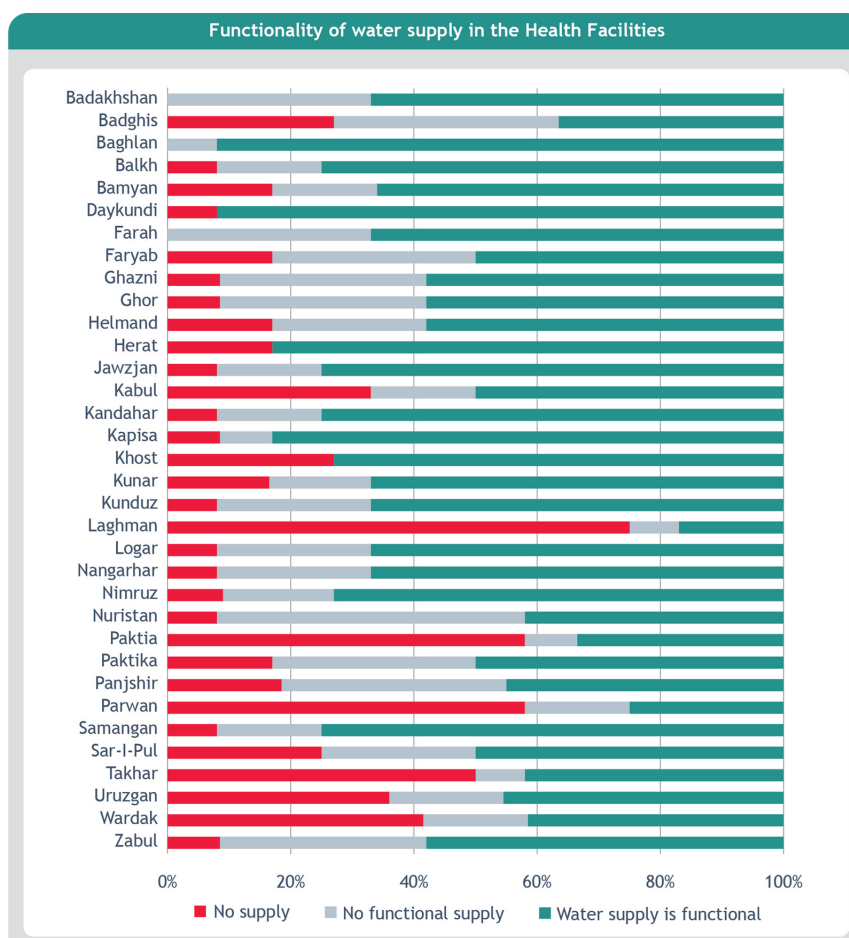
## Infrastructure Assessment

### Water Supply

While a large majority of Facilities had a functional water supply on-site, nearby, or available through delivery, one-fifth of the Facilities had a non-functional water supply when inspected. Only one-third of Facilities had water available 24 hours a day.

Our enumerators found that water supplies were functional at 60% (n=240) of Facilities and non-functional at 20% (n=79) of Facilities. The remaining 21% (n=84) had no water supply source at the Facility but relied on nearby wells, rivers, or streams, or utilized water tankers. Most Facilities without any water supply were SHCs (25%, n=34), and these were the least likely to have 24-hour water supplies (18%, n=15).

Figure 2: Functionality of Health Facility water supply, by province

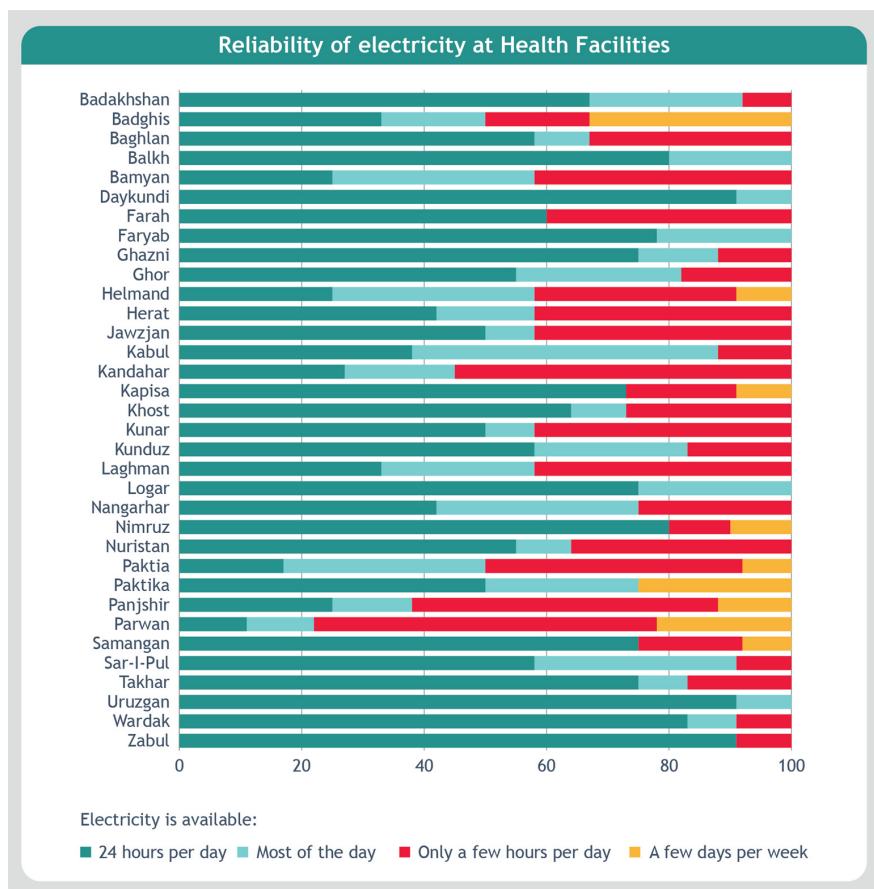


## Electricity

The majority of Facilities had functional electricity supplies, primarily through solar panels, but nearly one-fifth of Facilities had a non-functioning supply or no access to electrical power. At the time of visiting, 81% (n=326) of Facilities had functional electricity, while half of the remaining Facilities had non-functional electricity supplies (10%, n=40). Among the Facilities with no electricity supply (9%, n=37), most were SHCs (16%, n=22), followed by BHCs (10%, n=13).

Almost half of the Facilities in Badghis lacked an electricity supply (45%, n=8), followed by Ghazni, Kabul, and Paktika, with an average of 33% (n=4 each) without electricity.

Figure 3: Reliability of Health Facility electricity supply



## Availability of medicines

Medicine availability was generally high, with 92% of a specified range of listed medicines in stock and shorter re-supply times. However, regular shortages of some medicines, such as Dexamethasone, remained a challenge, with some medicines unavailable for several months. Re-supply delays were attributed to government changes, increased patient demand, SP contract, and supply chain issues.

Facility heads were interviewed, and visual inspections conducted to assess the availability of 37 essential medicines, as per BPHS guidelines, across all Facilities. On average, 89% of listed and unexpired medicines were reported to be in stock at Facilities (92% if expired medicines are included).

There was minimal difference between Facility types concerning the percentage of medicines in stock; DHs had the highest percentage (95%) of medicines from the BPHS list in stock, while the lowest percentage was recorded for SHCs (90%).

Out of 405 staff interviewed regarding possible reasons for medicine shortages, 137 reported no shortages, and three did not consent to be interviewed. The remaining 265 staff provided 503 responses.



**Table 8: Possible reasons for medicine shortage**

POSSIBLE REASON	RESPONSES	PERCENTAGE OF RESPONSES
Change in government	98	19
Delays in contract arrangements for Service Providers	80	16
Increased patient demand	80	16
Service Provider could not supply medicines on time	70	14
Other	41	8
Delays in processing payments to Service Providers	33	7
Malfunctioning of banking sector that resulted in cash shortages and blockage of accounts	22	4
Poor compliance of medicine supply against contractual obligations by Service Providers	19	4
Push procurement approach by NGOs	16	3
Insecurity	16	3
Medicines unavailable in the market	11	2
Irrational use of medicines by the health facility	8	2
Bureaucracy	5	1
Corruption in the administration	4	1
<b>Total</b>	<b>503</b>	<b>100</b>

Respondents were asked about medicine shortages since August 2021, acknowledging potential recall bias in the findings.<sup>57</sup> Based on this approach, two-thirds of Facilities (66%, n=265) experienced shortages of one medicine or another since August 2021. CHCs were most likely to have experienced shortages.

**Table 9: Extent to which Facilities experienced shortages of medicines since August 2021**

TYPE OF FACILITY	RESPONSES	PERCENTAGE
Comprehensive Health Center	70	70
Sub-Health Center	88	67
Basic Health Center	87	64
District Hospital	20	61

The most frequently reported shortage among the 37 assessed medicines was Dexamethasone, which was due to delays in the supply chain and payments.

From August 2021 to October 2022, the respondents at 66% (n=265) of the Facilities reported that there were 1,472 events in which required medicines were unavailable. Most of these events occurred in SHCs (n=534), followed by BHCs (n=525). DHs (n=104) had the lowest number of shortage events, followed by CHCs (n=309).

By Facility type, BHCs experienced longer periods when medicines were out of stock (average 4.4 days), compared to CHCs (3.5 days), SHCs (3.2 days), and DHs (2.1 days).

<sup>57</sup> During data collection, respondents were asked to recall shortages of medicine for each month since August 2021, with the total number of months written in the response option. Shortages for each month were considered separately, if a medicine was out of stock for one day in September 2021, that was considered a shortage for that month.

On average, 70% of Facilities used a Pull supply approach for medicine re-supply, requiring Facilities to submit requests for medicines to SPs. This approach was most common among CHCs (76%, n=76), with similar levels among BHCs, SHCs, and DHs (67-68%). The remaining Facilities (28%, n=113) reported using a Push supply approach, and a small percentage of respondents did not know.

Nearly half (49%, n=197) of Facilities reported changes in medicine procurement since August 2021. When asked about the impact of procurement changes since August 2021, 194 staff provided 244 responses that are disaggregated in the table below.

**Table 10: Impact of medicine procurement changes made since August 2021**

POSSIBLE REASON	RESPONSES	PERCENTAGE OF RESPONSES
Changes have improved the quality or supply of medicine	126	52
Changes have improved the timely supply of medicines	58	24
Changes have improved procurement in general	24	10
Uncertain or unclear response	15	6
Changes have led to delayed or reduced supply of medicine	13	5
Changes have led to timely supply of medicine, but amount provided is not sufficient	7	3
No changes	1	0
<b>Total</b>	<b>244</b>	<b>100</b>

## Equipment

We assessed whether 34 items of equipment recommended by the BPHS guidelines were available and functional in all Facility types. Almost all Facilities had the listed equipment, with an average of 95% of the equipment being both available and functional. A small number of available equipment was not functional. SHCs, with 27 out of 34 pieces of equipment (93%) had a lower likelihood of having functional equipment than BHCs (96%, n=29), CHCs (90%, n=31), and DHs (99%, n=34).

## Verification of service provision

To verify service provision, we conducted a two-step process. First, data submitted on HMIS was compared to data in Health Registers. Second, we verified data at the community level for a random subset of patients in the register through household surveys. We calculated indices on the Consistency and Accuracy of data to arrive at a Composite Score for 11 indicators. For five indicators, however, we only analyzed consistency.

### Methodology for HMIS verification and service assessment

Survey teams collected Facility data from HMIS and cross-referenced them with information available in Health Registers. Additionally, they conducted household surveys to gather further data and insights. HMIS data verification was performed for the 16 services listed in Table 11.

**Table 11: Services included in the HMIS verification and service assessment**

1.	Ante-Natal Care (ANC)	9.	Growth Monitoring
2.	Post-Natal Care (PNC)	10.	C-Section
3.	Institutional Delivery	11.	Major Surgery
4.	Pentavalent Vaccine	12.	Outpatient Services
5.	Couple-Year Protection (CYP)/Family Planning	13.	Mental Health
6.	Tetanus Toxoid (TT+) Vaccine (2nd dose)	14.	Nutrition Counseling
7.	Tuberculosis Exam (TB smear+)	15.	Malnutrition Treatment
8.	Under-Five Morbidity	16.	COVID-19 Vaccination

To assess the quality of HMIS data in each Facility, we used the Consistency and Accuracy Indices. The Consistency Index compared the number of cases recorded in Health Registers with those reported by HMIS, while the Accuracy Index compared the number of cases verified in the community with those sampled for verification at the community level<sup>58</sup>. These indices were used to calculate a Composite Score, which was a metric to assess the quality of HMIS data in a given Facility. Scores were calculated at the Facility level and then averaged to generate scores by province and Facility type.

### HMIS verification Composite Scores

When verifying the HMIS records, we found that Facilities performed well in terms of consistency, but their accuracy was more inconsistent.

We also calculated a Composite Score for 11 indicators, as listed below.

**Table 12: Summary of HMIS verification findings for 11 indicators**

INDICATORS	MEDIAN COMPOSITE SCORE	MEDIAN CONSISTENCY INDEX	MEDIAN ACCURACY INDEX	CASES REPORTED / PROJECTED <sup>59</sup>	TOTAL
Ante-Natal Care (ANC)	76	99	77	# of HMIS Reported Cases	65,393
				# of projected verified cases	49,752
				% of projected verified cases	76
Post-Natal Care (PNC)	74	98	75	# of HMIS Reported Cases	35,505
				# of projected verified cases	25,264
				% of projected verified cases	71
Institutional Delivery	76	100	76	# of HMIS Reported Cases	14,765
				# of projected verified cases	10,550
				% of projected verified cases	71
Pentavalent Vaccine	81	99	82	# of HMIS Reported Cases	23,375
				# of projected verified cases	17,662
				% of projected verified cases	76

<sup>58</sup> The Accuracy Index considers the percentage of all patients sampled from a Facility’s Health Registers who confirmed the service. Patients who could not be located, were not available, or did not consent to the interview were counted as non-verified for the purpose of the Accuracy Index.

<sup>59</sup> The projected number of verified HMIS cases is calculated at the Health Facility level by multiplying the number of cases reported in the HMIS for each with the corresponding Composite Score (Consistency Index times the Accuracy Index) for the Health Facility. Thus, the projected number of verified cases is based on both the number of cases reported in the Health Register (via the Consistency Index) and the number of sampled cases verified in the community (via the Accuracy Index). It is important to note that when verifying cases in the community, the number of sampled patients was five per Health Facility. The total number of verified cases is therefore a **projected estimate** and should not be taken as an **actual** value of patients verified in the community.

INDICATORS	MEDIAN COMPOSITE SCORE	MEDIAN CONSISTENCY INDEX	MEDIAN ACCURACY INDEX	CASES REPORTED / PROJECTED <sup>59</sup>	TOTAL
Couple-Year Protection (CPY) / Family Planning	70	98	72	# of HMIS Reported Cases	35,691
				# of projected verified cases	24,248
				% of projected verified cases	68
Toxoid Tetanus (TT+) Vaccine (2nd Dose)	74	97	79	# of HMIS Reported Cases	32,667
				# of projected verified cases	23,020
				% of projected verified cases	70
Tuberculosis Exam (TB Smear+)	73	100	75	# of HMIS Reported Cases	457
				# of projected verified cases	340
				% of projected verified cases	74
Under 5 Morbidity	74	99	76	# of HMIS Reported Cases	169,168
				# of projected verified cases	122,125
				% of projected verified cases	72
Growth Monitoring	76	100	77	# of HMIS Reported Cases	126,225
				# of projected verified cases	90,775
				% of projected verified cases	72
C-Section	70	100	70	# of HMIS Reported Cases	420
				# of projected verified cases	262
				% of projected verified cases	62
Major Surgery	80	100	80	# of HMIS Reported Cases	1,076
				# of projected verified cases	800
				% of projected verified cases	74

## Service assessment

Most Facilities reported having essential services available. Although not required to do so, some BHCs offered Tuberculosis Exams to address community needs. However, two-thirds of Facilities did not provide COVID-19 Vaccination, with SHCs and BHCs being the most affected, along with four DHs. A small percentage of Facilities did not offer Mental Health services. Additionally, a few SHCs did not provide TT+ Vaccination, and the Pentavalent Vaccine was not available in a few SHCs and one CHC, despite being required by BPHS guidelines.

### Patient verification

During the community-level verification of HMIS data, the majority of households surveyed (87%, n=13,684) confirmed having received one of the 11 specified services, with either a family member or themselves receiving it. Almost all respondents expressed satisfaction with the service provided, and only a small number of patients reported paying for the service.

We conducted 15,795 household surveys to verify the provision of 11 services listed in green in the table below. To interview for each indicator, we used systematic random sampling and selected five patients from the Facility register.

A total of 15,795 households surveys completed, 87% households (n=13,684) were located, but the remaining 13% (n=2,111) could not be located. Where we were unable to locate a household, we interviewed community elders, local mullahs or neighbors instead to establish why it could not be located. The principal reason given (70%, n=1,461) was that no one knew the household or that it was said not to exist. One-fifth of respondents (19%) reported that the household came from another area and 11% that the

household was temporarily away or had moved away.

**Table 13: Verification and satisfaction rates for services provided**

SERVICE	VERIFICATION <sup>60</sup> LEVEL (%)	SATISFACTION LEVEL (%)
Ante-Natal Care (ANC)	98	96
Post-Natal Care (PNC)	98	97
Institutional Delivery	99	97
Pentavalent Vaccine	100	97
Couple-Year Protection (CYP)/Family Planning	98	96
Tetanus Toxoid (TT+) Vaccine (2nd dose)	99	97
Tuberculosis Exam (TB Smear+)	99	99
Under-Five Morbidity	98	97
Growth Monitoring	98	96
C-Section	100	98
Major Surgery	100	98
<b>Average</b>	<b>99</b>	<b>97</b>

Out of the 108 patients who reported paying for a service, 36 paid for Institutional Delivery, while 19 paid for ANC and PNC each. There was no discernible pattern among SPs regarding which services patients paid for.

**Table 14: Patient verification information**

PATIENTS SAMPLED	HOUSEHOLDS LOCATED	HOUSEHOLDS LOCATED WITH SOMEONE HOME	PATIENTS CONSENTING TO BE INTERVIEWED
15,795	13,684/15,795 (87%)	13,224/13,684 (97%)	12,376/15,795 (78%)

## Environmental and social standards

We assessed the extent to which Facility waste management practices met the standards defined in Healthcare Waste Management Plans developed by the Ministry of Public Health (MoPH) and the World Bank’s Environmental and Social Standards team. We conducted in-person interviews with one staff member at each of the 405 Facilities, mostly with Facility heads or administrators, and conducted a visual inspection to assess infection prevention measures and waste management protocols at Facility level.

### Infection prevention practices

Infection management and control systems, and waste management practices varied by Facility type and with wide variations by SP. Nearly all Facilities practiced some type of infection prevention measures, but under half had measures for on-site waste treatment and disposal. The application of procedures to minimize risks associated with hazardous medical goods was generally poor.

<sup>60</sup> Verification refers to the percentage of sampled patients who were actually interviewed (located, consented, etc.) who verified the service received. It is distinct from the Accuracy Index which is the percentage of all sampled patients who verified, whether they were located or not.

## Disinfecting sharps

A large majority of Facilities had measures in place for collecting and disinfecting sharps, including all Facilities in 11 provinces. However, fewer than half the Facilities in Daikundi and Wardak had disinfection measures in place and there were significant variances between SPs.

More than four-fifths of health Facilities (85%, n=343) reported having measures for disinfecting sharps, including every Facility in 11 provinces. In the remaining 23 provinces, disinfection measures varied between 42% (n=5) for Daikundi and Wardak to 92% (n=11) in eight provinces.

## COVID-19-related Healthcare Waste Management

Less than a quarter of Facilities had additional Facilities for treating COVID-19-related waste, while no Facility in each of seven provinces did so.

Only 22% (n=91) of Facilities surveyed had additional Facilities for COVID-19-related waste. While two-thirds of DHs had additional Facilities for handling COVID-19-related waste, only one-third of CHCs, and even fewer BHCs and SHCs.

**Table 15: Extent to which Facilities had additional facilities for handling Covid-19 related waste**

TYPE OF FACILITY	RESPONSES	PERCENTAGE
District Hospital	22	67
Comprehensive Health Center	33	33
Basic Health Center	20	15
Sub-Health Center	26	12

By province, Laghman and Zabul had the highest percentage of Facilities with disposal Facilities (each 92%, n=11), while Badghis, Baghlan, Daykundi, Faryab, Kabul, Paktia, and Takhar had none.

## Waste Collection - Labeling of receptacles

Almost three-quarters of Facilities practiced correct labeling for contaminated materials, except for Wardak, where none did so. Correct labeling of non-contaminated materials was practiced by just under half of SPs, with wide variations between them. The correct labeling of receptacles for contaminated materials was practiced by almost three-quarters of Facilities (73%, n=297). In addition, while a small majority of Facilities followed correct labeling of receptacles for pathological materials, SHCs underperformed.

**Table 16: Labelling practices by Facility**

TYPE OF FACILITY	DOES CORRECT LABELING OF RECEPTACLES FOR CONTAMINATED MATERIALS	FOLLOWS CORRECT PRACTICE FOR LABELING RECEPTACLES FOR PATHOLOGICAL MATERIALS
District Hospital	94% (n=31)	64% (n=21)
Comprehensive Health Center	79% (n=79)	62% (n=62)
Basic Health Center	71% (n=97)	53% (n=72)
Sub-Health Center	66% (n=90)	35% (n=48)

Disaggregated by province, Farah had the highest percentage (100%, n=12) of Facilities with correct labeling of receptacles for pathological materials, followed by Kunar (83%, n=10). Conversely, Wardak had no Facilities correctly following this practice. Only one Facility in Ghazni was observed with the correct labeling of receptacles for pathological materials.

## Waste disposal practices

Incineration was used by a large majority of all types of Facility as an accepted approach to waste disposal,

but almost a quarter of Facilities practiced dumping in soil or open burning.

**Table 17: Extent to which Facilities used incineration for waste disposal**

TYPE OF FACILITY	RESPONSES	PERCENTAGE
Comprehensive Health Center	81	81
Basic Health Center	107	79
Sub-Health Center	103	76
District Hospital	24	73

However, open burning was observed in half of the Facilities in Ghor (50%, n=6) and one-third of those in Wardak and Farah (each 33%, n=4) provinces. Four DHs also did so.

All Facilities in six provinces (Helmand, Kapisa, Logar, Nimroz, Paktia, and Zabul) were observed with incineration practices. Conversely, 17% (n=2) of Facilities in Baghlan tended to practice this method of waste disposal. Disaggregated by provinces, open burning was observed in 16 provinces, mainly in Ghor province (50%, n=6), followed by 33% (n=4) for Farah and Helmand.

### Treatment of liquid waste

Over two-thirds of all types of Facility followed recommended on-site primary and secondary wastewater treatment practices for liquid waste disposal based on the Healthcare Waste Management Plan for SEHAT (World Bank, 2014).

**Table 18: Extent to which Facilities followed recommended practice for liquid waste disposal**

TYPE OF FACILITY	RESPONSES	PERCENTAGE
Comprehensive Health Center	73	73
Basic Health Center	93	68
Sub-Health Center	92	68
District Hospital	21	64

Considering provinces, 100% of Facilities in three provinces (Herat, Logar, and Parwan) practiced onsite primary and secondary wastewater treatment. Conversely, in Khost province, only 9% (n=1) of Facilities had this practice, followed by Zabul (25%, n=3).

### Training on Waste Management

Less than a quarter of Facilities overall had provided recent training on infection prevention and waste management practices, with a higher percentage of staff being trained on infection prevention than on waste management. Training provision was widely disrupted after August 2021: across all Facility types, 52% (n=89) reported providing training on infection control, 42% (n=71) reported providing technical training, 32% (n=54) on waste management and 19% (n=32) on waste transportation issues. The percentage of Facilities where training was provided varied within and between Facility types.

**Table 19: Provision of training by Facilities after August 2021**

TYPE OF FACILITY	PROVIDED TRAINING ON INFECTION CONTROL	PROVIDED TECHNICAL TRAINING	PROVIDED WASTE MANAGEMENT TRAINING	PROVIDED WASTE TRANSPORTATION TRAINING
District Hospital	58% (n=14)	46% (n=11)	38% (n=9)	21% (n=5)
Comprehensive Health Center	52% (n=25)	50% (n=24)	27% (n=13)	19% (n=9)
Basic Health Center	59% (n=34)	41% (n=24)	33% (n=19)	22% (n=13)
Sub-Health Center	40% (n=16)	30% (n=12)	33% (n=13)	13% (n=5)

Disaggregated by provinces, Faryab and Uruzgan had the highest number of Facilities which received training on waste management (92%, n=11 each). Conversely, none of the Facilities in Bamyan and Daykundi received training on this topic. We found that less than 50% of Facilities in 22 provinces had received training on waste management.

## Health and Safety

The use of Personal Protective Equipment (PPE) when handling medical waste was widespread but varied between Facility types and SPs, with staff from SHCs less likely to do so. Around a quarter of staff used PPE in the form of masks, gloves, gowns, or eye covers/glasses, but not at the same time.

The staff at a large majority of Facilities (87%, n=353) used some form of PPE when handling medical waste. General practice was somewhat consistent with the standards set out in the MoPH Healthcare Waste Management Plan: staff were observed wearing masks at 92% of Facilities (n=326) and gloves at 89% of Facilities (n=315). However, gowns were found to be worn at only 74% of Facilities (n=261) and eye covers/ glasses at only 50% of Facilities (n=178).

**Table 20: Staff wearing some form of PPE**

TYPE OF FACILITY	RESPONSES	PERCENTAGE
District Hospital	32	97
Comprehensive Health Center	93	93
Basic Health Center	122	90
Sub-Health Center	106	78

Waste handling with at least one form of PPE was reported in more than four-fifths of Facilities. However, the usage of masks, gloves, and gowns was limited and varied among Facilities and SPs. In terms of controls exercised at waste storage and collection points, 19% of Facilities (n=77) had flies or other pests evident at the storage points and 17% (n=68) at waste collection points, the latter mainly in SHCs (22%, n=30). For the collection point, this problem was observed in 21% (n=7) of DHs, 15% (n=15) of CHCs, and 12% (n=16) BHCs. The situation for the storage point was observed to be the same as the collection point, with slight differences. Overall, there was evident odor at just under one-fifth of waste storage points (19%) and slightly fewer collection points and burial pits (18% and 15% respectively). Odor was most common in DHs (33%, n=11).

## Fire Extinguishers

On average, two-thirds of Facilities and one-third of Facility laboratories had at least one fire extinguisher on the premises. SHCs were least likely to do so in both cases. A quarter of Facilities were observed with no fire extinguisher or smoke detector on their premises.

Overall, 68% (n=277) of Facilities were observed having at least one fire extinguisher. Just over one-third of Facility laboratories (35%, n=143) had at least one fire extinguisher on their premises.

**Table 21: Availability of fire extinguishers**

TYPE OF FACILITY	THERE IS A FIRE EXTINGUISHER ON THE PREMISES	FACILITY LABORATORIES HAVE AT LEAST ON FIRE EXTINGUISHER ON THEIR PREMISES
District Hospital	85% (n=28)	76% (n=25)
Comprehensive Health Center	75% (n=75)	55% (n=55)
Basic Health Center	73% (n=99)	27% (n=37)
Sub-Health Center	55% (n=75)	19% (n=26)

The availability of at least one fire extinguisher and one smoke detector was limited to a small number of Facilities (2%, n=7). Similarly, only smoke detectors were available in 4% (n=15) of Facilities.



