

Ministry of Foreign Affairs – (Department for Humanitarian action, migration and civil society - HMC)

Meeting in the Council for Development Policy 31 October 2017

Agenda item 6.d.

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| 1. Overall purpose | For discussion and recommendation to the Minister |
| 2. Title: | Regions of Origin Initiative – Afghanistan – Phase IV |
| 3. Presentation for Programme Committee: | 26 June 2017 |

Regions of Origin Initiative – Afghanistan – Phase IV

Key results:

- Access to protection and durable solutions for returning Afghan refugees and internally displaced persons (IDPs)
- IDPs and returnees are included in local governance mechanisms through inclusiveness of Community Development Councils
- Fair beneficiary selection process has been adapted for national use contributing to solving the contested issue of land allocation in Afghanistan
- IDPs and returnees are successfully reintegrated into their communities in urban and peri-urban areas by construction of 1,725 households in close proximity to livelihood opportunities
- Sustainable improvements to infrastructure and livelihood opportunities in displacement-affected communities strengthening host community absorption capacity

Justification for support:

- Reintegration, livelihood opportunities and enhanced absorption capacity regarding IDPs and returnees are key to a stable Afghanistan countering the root causes of irregular migration
- Engagements fully in line with *The World 2030* and priorities and strategies of the Afghan government
- Close fit with the combined Danish efforts in Afghanistan, constituting a complementary 'displacement component' to the coming Afghanistan Country Programme
- Issues of displacement and returning refugees have amplified in recent years closely linked to the deteriorating security situation with over 260,000 people having fled their homes to date in 2017 resulting in huge needs. In addition, 2016 saw more than 600,000 returning from neighbouring countries stretching absorption capacity
- Issues particularly challenging in urban and peri-urban areas

How will we ensure results and monitor progress:

- Annual theory of change review taking stock of key assumptions, performance of engagements and possible revisions needed in a fragile and continuously changing context
- Allocation of funds to UN Habitat dependent on reaching key milestone
- Use of TA budget to reinforce M&E, including a review of results achieved
- Cessation of funding in case of mismanagement of funds

Risk and challenges:

- Increased insecurity prevents access to needy communities
- Political instability and a stagnant government lead to a lack of political direction for key ministries, resulting in delays in implementation
- Corruption that reduces the impact of the interventions

File No.	2017-24079						
Country	Afghanistan						
Responsible Unit	HMC						
Sector							
	<i>Mill.</i>	2017	2018	2019	2020	20xx	Tot.
Commitment		300					300
Projected ann. Disb.			100	100	100		
Duration	3 years (January 2018 to 31 December 2020)						
Finance Act code.	§06.32.02.15. Other initiatives in Asia (200 mill.) & §06.39.03.11. Other contributions to acute and protracted crises (100 mill.)						
Desk officer	Mathias Schmidt Nielsen						
Financial officer	Lisbeth Barclay						

SDGs relevant for Programme:

 No Poverty	 No Hunger	 Good Health, Wellbeing	 Quality Education	 Gender Equality	 Clean Water, Sanitation
 Affordable Clean Energy	 Decent Jobs, Econ. Growth	 Industry, Innovation, Infrastructure	 Reduced Inequalities	 Sustainable Cities, Communities	 Responsible Consumption & Production
 Climate Action	 Life below Water	 Life on Land	 Peace & Justice, strong Inst.	 Partnerships for Goals	

Budget

Regions of Origin Initiative – Afghanistan – Phase IV; a strategic programme framework	295.0
<i>Engagement 1: Citizens' Charter Afghanistan Project</i>	90.0
<i>Engagement 2: UN Habitat project, Sustainable Human Settlements in Urban areas to support Reintegration in Afghanistan</i>	65.0
<i>Engagement 3: NGO Direct Assistance to Displaced People</i>	140.0
Programme Support	5.0
Total	300.0

Strat. objective(s)

Solutions-oriented responses to displacement leading to sustainable reintegration

Immediate Objective(s)

Improving government efforts to manage reintegration and displacement response in the long term; improving fairness and vulnerability targeting in approaches to land and housing resettlement for the most vulnerable in the medium term; and meeting basic needs and enabling rural and urban communities to manage and utilise local resources and capacities in a sustainable manner

List of Engagement/Partners

- Citizens' Charter Afghanistan Project (The World Bank)
- UN Habitat
- NGO partners

1. Introduction

Due to their proximity to conflicts and human rights violations, areas in and around conflict-ridden countries are exposed to large forced displacement flows. These areas – typically among the world's poorest – are in the following referred to as "Regions of Origin". In 2003, The Danish Government approved a special initiative for assistance to countries affected by large-scale displacement – namely, the Regions of Origin Initiative (ROI). According to the *"Strategic Framework for the Danish Regions of Origin Initiative"* from 2008, the overall objective of the ROI is to help secure access to protection and durable solutions for refugees and internally displaced persons as close to their home as possible, including through:

1. Improving living conditions and protection for targeted groups of forced migrants including refugees, IDPs, rejected asylum-seekers and host populations.
2. Supporting the safe and dignified return of forced migrants to their place of origin and assist their reintegration.
3. Assisting with support to self-reliance or local integration in the country of asylum where possible in line with existing integration/resettlement policies.

With the new Danish Strategy for Development Cooperation and Humanitarian Action in place, a strategic focus for Danish assistance efforts going forward will be the linking of development-oriented and humanitarian approaches in situations of protracted crises. While the ROI programme has been working across the spectrum in previous and current phases, the programming of the next phase will pay even more attention to this element. The findings of the Review of Phase III in Afghanistan, carried out in the first half of 2017, have fed into the formulation of the next phase, including the recommendation that this programme document act as a "precursor" to the coming Afghanistan Country Programme regarding issues of displacement.

2. Context, strategic considerations, and justification

Afghanistan, Afghans and the international community are tragically familiar with Afghan displacement. There is a risk that this familiarity numbs us to genuinely novel events and trends that are developing and may develop over the period of ROI IV, evident in regional, domestic and global displacement problems.

The regional problem was evident in 2016, when over 600,000 people "returned" to Afghanistan, mostly from Pakistan and Iran. Some of these people were not born in Afghanistan; well over half of them were unskilled and experienced employment only as day labourers. Some were not even native speakers of Afghanistan's official languages.

They returned to a country dealing with acute, widespread domestic displacement, and with many ending up in urban or peri-urban areas, thus contributing to the massive urbanisation process that has been ongoing for the past 15 years. Indeed, distinguishing between a deep tide of urbanisation and short-term waves of conflict-related movement is increasingly difficult. In any case, the result is more people moving to new communities, in particular urban and peri-urban, with varying levels of commitment to staying and varying levels of capacity for integration on both sides.

A global displacement problem for Afghans is also evident. With continuing deterioration of the situation in Afghanistan, there is an ongoing interest and capability of Afghans to join compatriots in the diaspora through regular or irregular migration channels. A greater number of people with this interest confronts a

greater interest and capability of countries of asylum to stop irregular movement or return Afghans to Afghanistan. This traditional emigration outlet for some Afghans is therefore more constrained.

Combined, the domestic, regional and global displacement problems affecting Afghanistan have resulted in major difficulties for several thousand communities, less acute but nevertheless profound problems for many more, and little-understood displacement issues in places outside of government control. What we do know is that there is a concentration of displaced people in and around some of the major urban centres, particularly Jalalabad and Kabul, and to a lesser extent, Kandahar, Herat and Mazar. Beyond Jalalabad, the Eastern Region also contains several peri-urban areas that have received many returnees from Pakistan and internal movements resulting from conflict. However, political interests have repeatedly stymied sustainable change to urban governance of displacement-related issues, such as the allocation of land.

The country's economic and security indicators are not positive overall. On the one hand, it is widely acknowledged that the country has made substantial progress against a variety of important political, economic and development indicators. Significant progress has been made in terms of access to health and education services, albeit from a very low base. Key social indicators, such as life expectancy and maternal mortality, have improved, and there have been some improvements in human rights, including women's rights.¹ Governance systems have been strengthened, although performance is uneven and service delivery remains one of the main shortcomings regularly highlighted in opinion surveys. On the demand side, an active civil society has emerged.

On the other hand, the results achieved so far are fragile. Afghanistan continues to face a wide range of challenges, including in relation to security, economic and social development, democracy, governance, human rights and justice. Afghanistan remains one of the world's poorest nations. In 2014, after two years of falling growth, poverty levels were increasing and jobs were becoming more scarce – in 2013/14, 76% of jobs in the rural service sector had vanished compared to 2011/12.² The large-scale movement of people and their associated humanitarian needs are direct indicators of failures in security, the economy and government services.

The 2014 presidential elections involved significant shortcomings, and international mediation proved necessary to reach a conclusion acceptable to the major parties. The resulting National Unity Government has since proven capable of formulating agreed policies at a central level, but in many sectors has struggled to drive these through into effective implementation and service delivery. This is reflected in extremely low execution rates for the government's 2016 and 2017 development budget,³ indicating major bottlenecks and failures in seizing opportunities to ameliorate citizen needs and invest in the future.

Parliamentary elections scheduled for 2015 have still not been held, undermining legitimacy and democratic accountability. The medium-term fiscal situation remains daunting, with lower rates of economic growth and revenue collection projected.

¹ World Bank, 2013, *Afghanistan in Transition, Looking beyond 2014*.

² World Bank, 2017, *Afghanistan Poverty Status Update – Progress at Risk*

<http://www.worldbank.org/en/country/afghanistan/publication/afghanistan-poverty-status-update-report-2017>

³ The figure available at the time of drafting was 15% of the development budget executed.

Strategic Frameworks and Objectives

The ROI IV is located within a relatively clear policy environment at the strategic level. Building on the framework established at the Tokyo Conference, the Self-Reliance through Mutual Accountability Framework (SMAF) clarified principles and short-term deliverables for the international community and the National Unity Government. Through the SMAF, the Government of the Islamic Republic of Afghanistan (GIROA) is committed to achieving goals in areas including national and sub-national governance, elections, integrity of public financial management, rule of law and human rights, and monitoring mechanisms. The underlying logic is that increasing capacity and presence of legitimate state functions is key to long-term development.

The New Deal for engagement in fragile states - of which Afghanistan is a pilot country - sets distinct Peace-building and State-building Goals (PSGs) in five areas. These are: legitimate politics, security, justice, economic foundations, and revenues and services. In Afghanistan, the SMAF plays the de facto role of the New Deal “compact” – an agreement to ensure alignment, harmonisation and donor co-ordination, reduce duplication, fragmentation and programme proliferation. ROI IV also draws from the OECD/DAC guidance on aid effectiveness, as well as the specific guidance on fragile states.

The need for humanitarian assistance to Afghanistan is largely a consequence of the long-running conflict and displacement. To address this challenge in a manner that supports solutions, Denmark recognises the need for stronger synergies between humanitarian assistance addressing shorter-term emergency needs and longer-term development assistance addressing the task of re-integrating displaced populations alongside broader nation-building investments. In this context, reintegration is defined: as the re-inclusion or re-incorporation of a person into society in Afghanistan. Reintegration is thus a process that enables the returnee to participate again in the social, cultural, economic and political life of his or her country of origin. A pre-requisite would be access to basic services, and a sense of belonging to the community in which they live.

The region has long experience of diplomacy, planning and fundraising in relation to Afghan refugees – including with the facilitation of UNHCR - but the consensus has frayed recently. For example, UNHCR’s “Regional Plan” starting 31 July 2016 almost immediately became irrelevant, as it started with a concern that “recent developments in Afghanistan have slowed voluntary returns from major hosting countries in the region.”⁴ The Solutions Strategy for Afghan Refugees has similarly become less relevant due to unclear buy-in from the major countries it affects.

On the other hand, within Afghanistan there has been much stronger mainstreaming of issues related to displaced people in government rhetoric, the machinery of government, and government programs. For example, there has been practical leadership and public pronouncements from the highest levels of the government on addressing displacement issues. The government has established new bodies for developing, implementing and monitoring plans for emergency response and durable solutions, including forums for donors to participate. This trend offers opportunities for ROI IV to contribute directly to government priorities.

Strategic Considerations for Programme Design

⁴ UNHCR (2016), *UNHCR Regional Plan: Building Resilience and Solutions for Afghan Refugees in South-West Asia*.

ROI IV draws lessons from Danish engagement in Afghanistan over the last decade in particular – and even longer in the case of NGO support. Evaluations of Danish assistance and other donors’ assistance have been broadly useful to informing programme design. Of immediate and direct relevance has been the Review of ROI III. The programme also aims to act as a “precursor” to the next phase of the Afghanistan Country Programme, in relation to issues of displacement.

The ROI IV strategy is to support major, government-led initiatives with the potential to improve the lives of hundreds of thousands of displaced people in the medium term, while hedging with flexible, direct support to communities affected by displacement. This requires combining support to address rural, peri-urban and urban displacement and working across the humanitarian-development nexus. It reflects a pragmatic and flexible approach that ensures an ability to respond to shorter-term humanitarian needs while also seizing development opportunities that can facilitate solutions to the displacement challenges facing Afghanistan.

The programme pursues this strategy through three lines of effort. First, it aligns directly behind the government’s own initiative to address the needs of displaced people and the communities affected by displacement. This line of effort is high on relevance in terms of supporting government plans and targeting the lack of sustainable mechanisms for local governance in areas affected by displacement. It is similarly high on potential long-term impact. The ROI acknowledges that this is not the most efficient way to deliver services to displaced people, at least not in the short term, but it is the most effective way available to include them in community governance mechanisms that will mediate local development and the politics related to it. These local governance mechanisms are, in the immediate future, only being developed in rural areas.

Since it is well established that in Afghanistan returnees are disproportionately settling in urban areas, ROI IV contributes to government-led but non-government-implemented approaches to providing land and housing for returnees to Afghanistan in urban areas. Housing being one of the key priorities for the most vulnerable displaced people. It is also a crucial enabler of integration for many people. A fair selection process for beneficiaries followed by construction of appropriate housing would be highly relevant to addressing their settlement and integration needs and relevant to demonstrating a successful method to adapt for the rest of Afghanistan. Its direct and indirect impact is therefore potentially high. Identifying and allocating land has been hugely contentious and has been exclusionary in the past. Relying on international organisations to do this first phase is not the most efficient way to deliver the housing – but it is the only way to safeguard the integrity of the process, without which there is a high risk of low or negative impact. This line of effort is sustainable from the point of view of direct beneficiaries. Its wider sustainability depends on a demonstration effect and government absorption of success.

Third, to balance some of the efficiency and design downsides of high-level programming, ROI IV will fund direct action by NGOs to address the needs of displaced people in highly affected communities and with a focus on the most vulnerable. This will work to supplement the first two lines of effort by both ensuring that the interventions support hard to reach communities which CCAP does not reach, and by strengthening support to the communities in which the second engagement operates to ensure that the reintegration efforts are sustainable and also benefit host communities (to mitigate negative views of support to returnees).

This approach is relevant to immediate needs and short-term impact as well as for sustainable change for displacement-affected communities. Its effectiveness has been observed in previous phases of the ROI and it is relatively efficient, although humanitarian assistance in general does not usually prioritise sustainability. ROI IV recognises that NGOs play an important role in achieving development outcomes in Afghanistan but ROI IV is not pre-selecting specific sectors for NGOs to work in, so this line of effort includes a strong interest in partners demonstrating whether and what works in the humanitarian-development nexus.

The synergies between these lines of effort are strategic more than operational, each addressing a core need in the Afghan context. Nevertheless, as the engagement summaries below make clear, there are important practical opportunities to connect each line of effort in order to maximise relevance and impact.

Programme Overview

There are three engagements selected to advance the ROI IV objectives. The first is a contribution to implementing the Citizens' Charter Afghanistan Project (CCAP). This is a flagship government initiative building up community governance institutions that prioritise grants for local infrastructure and services. Recognising that there are many communities facing acute challenges as a result of displacement, CCAP includes the most displacement-affected districts as a priority. The selection of these is done in close coordination with UNHCR and other key actors. A major challenge for CCAP is its roll-out in urban areas, where government institutions have less experience of this kind of activity. In particular, the lead agency for urban areas – IDLG – has not managed block grants and the development of CDCs like the CCAP envisages. Urban governance is distributed across several entities and levels of government. IDLG is also a relatively new organisation with a lot of new donor and government programmes stretching its capacity.⁵ As a result of these challenges, the urban component of CCAP will not be funded in the immediate future, and this has compelled Denmark to find alternative partners who can reach displaced communities in urban and peri-urban areas. UN Habitat's Sustainable Human settlements in Urban areas to support Reintegration in Afghanistan (SHURA) project has been selected as most relevant (see below) and resources balanced between the two engagements.

In rural areas, the initial preparations for CCAP are better advanced, building on capacities developed under the National Solidarity Programme. CCAP is an opportunity for ROI IV to build on those results and experience, including to make community development institutions more inclusive of displaced people. It also fulfils Denmark's commitment to align with government priorities. Nevertheless, in rural areas CCAP depends on maintaining access to communities that may be affected by conflict in the coming years. Concern that implementation may be contested or slow in some places is one inspiration for ROI IV funding NGOs to engage in areas that may be more difficult for the other engagements to address (see below).

The second engagement supports UN Habitat's project Sustainable Human settlements in Urban areas to support Reintegration in Afghanistan. In the short term, this aims to implement a fair, transparent system of selecting beneficiaries to receive support to build houses in identified and cleared plots of land in Nangarhar, a province heavily affected by returnees from Pakistan. Beyond providing this immediate

⁵ By contrast, the CCAP lead for rural areas, the Ministry of Rehabilitation and Rural Development, is considered a relatively strong organisation, has been implementing similar programmes for many years, and has a relatively clear position in governance in rural areas.

impact, the engagement aims to demonstrate an effective, fair approach to beneficiary selection, with the intention to adapt this to other parts of Afghanistan. There are major risks of delay and attempted political interference, given the sensitivity of land allocation in Afghanistan and previous experiences of schemes with similar objectives. However, the government is committed to the proposed approach and it offers a significant opportunity to address a major contributor to reintegration – having a home of your own. For ROI IV, the project also offers a way to support durable solutions in urban areas which CCAP alone could not achieve. This engagement is selected as the answer to how to support reintegration in urban areas in the absence of an effective CCAP intervention. However, SHURA, as a new engagement has the potential delays associated with a new project start-up. In conjunction with the political and practical risks involved in the project Denmark will take a cautious approach and build-in an early review based on performance. Hence, it is envisaged that an initial 10% of the 2018 funding will be disbursed in Q1, pending a progress review against selected milestones in 2018. If unsatisfactory, the funds will be reallocated to CCAP.

The third engagement is based on a call for proposals from NGOs active in Afghanistan to address needs and opportunities among vulnerable people in communities most affected by displacement. This engagement will prioritise NGOs that can identify and engage communities or households underserved by official programmes, especially in urban and peri-urban areas, where government institutions do not appear well-prepared to deal with displaced people with the required flexibility and effectiveness. This engagement will not pre-select particular sectors; rather, it will seek proposals from NGOs based on broad criteria related to vulnerability and geographical focus. The call for proposals will be restricted to NGOs with a proven track-record in Afghanistan and long-standing partnerships with the Ministry of Foreign Affairs that has entailed regular quality assurance initiatives such as capacity assessments and reviews with a satisfactory outcome. The major risk in this engagement is that NGOs are attracted to the same accessible populations that the government and international organisations are focused on. Nevertheless, this engagement provides the opportunity to deliver direct assistance to those most in need; to strengthen the sustainability and impact of engagements; and provides necessary flexibility for ROI IV when set against the high-risk, top-down programmes of CCAP and UN Habitat.

The ROI IV theory of change is shown below:

Support to...

- establish inclusive local governance institutions;
- provide land and housing for vulnerable returnees; and
- deliver direct, flexible assistance to vulnerable groups and communities affected by displacement

...will contribute to:

- improving government efforts to manage reintegration and displacement response in the long term improving fairness and vulnerability targeting in approaches to land and housing resettlement for the most vulnerable in the medium term; and
- meeting basic needs and enabling rural and urban communities to manage and utilise local resources and capacities in a sustainable manner

This theory assumes that the current government will be able to implement flagship programs and maintain access to planned communities of intervention. It also assumes that a successful land and housing project for returnees will be adapted for other parts of Afghanistan. Finally, it assumes that NGOs will prioritise the most affected communities and the most vulnerable people within them.

Programme Results Framework

ROI IV is a small amount of funding relative to the size of Afghanistan's displacement challenges. On its own, it can be important to the lives of several thousand people affected by displacement. At the strategic level, it will have an impact only to the extent that pooled funding mechanisms deliver what they intend, so there is little added value from creating programme-level impact indicators. At the programme level, the focus is on a periodic review using the theory of change, including to allow for significant alterations in the event there are major changes to the context or partner performance. Given identified risks, and the shifting context in which the programme is operating, this should be an opportunity to review whether the assumptions in the current theory of change are valid; whether the engagements remain relevant and are achieving progress against targets. It should not be seen as a major exercise but a natural part of the monitoring cycle allowing an annual self-check and risk mitigation mechanism for the program which can be conducted as part of the internal programme quality assurance.

The programme level also includes indicators of programme management effectiveness, building on lessons from previous phases.

The engagement level of monitoring focuses on outcome and impact monitoring. The approach is to have a quantitative indicator of breadth and a qualitative indicator of depth. The quantitative indicator is reported within partners' standard reporting. The qualitative indicators are meaningful but light to monitor. Evidence should be available from standard partner reporting. Complementary and backup evidence will come from dialogue and targeted questioning with implementing partners. Failing all of that, an absence of evidence for these indicators will highlight a problem in the partners' prioritisation of key objectives of ROI support.

The table below shows a summary of indicators, with more detail available in Annex C.

Indicator	Means of verification	Responsible	When?
Programme			
Theory of change assumptions valid	<ul style="list-style-type: none"> Notes from theory review seminar 	<ul style="list-style-type: none"> HMC 	<ul style="list-style-type: none"> Quarter 4 of Year 1, Year 2 and Year 3 and more frequent if deemed relevant and necessary
Percentage of engagement indicators with data available	<ul style="list-style-type: none"> This results framework 	<ul style="list-style-type: none"> HMC 	<ul style="list-style-type: none"> Quarter 1 and Quarter 3 of every year
Geographical alignment with objectives	<ul style="list-style-type: none"> NGO reports ARTF reports UN Habitat reports OCHA mapping 	<ul style="list-style-type: none"> NGOs to report HMC to collect third-party reports HMC to analyse 	<ul style="list-style-type: none"> Year 2 and Year 3
A. CCAP			
Number of beneficiaries in displacement-prioritised communities	<ul style="list-style-type: none"> ARTF reports 	<ul style="list-style-type: none"> ARTF to report HMC to calculate 	<ul style="list-style-type: none"> Annually Programme conclusion
Inclusiveness of CDCs towards displaced people	<ul style="list-style-type: none"> ARTF reports RDE Kabul notes 	<ul style="list-style-type: none"> ARTF to report RDE Kabul to report 	<ul style="list-style-type: none"> Annually Programme

	from dialogue with ARTF	• HMC to analyse	conclusion
B. Sustainable Human settlements in Urban areas to support Reintegration in Afghanistan			
Appropriate implementation site(s) cleared and secured for use by the project	• UN Habitat reports	• UN Habitat to report • HMC to review	• Q1 and Q2 2018
No political interference in beneficiary selection process	• UN Habitat reports	• UN Habitat to report • HMC to review	• Annually until selection complete
Number of houses built	• UN Habitat reports	• UN Habitat to report • HMC to review	• Annually • Programme conclusion
Number of beneficiaries in those houses	• UN Habitat reports	• UN Habitat to report • HMC to review	• Annually • Programme conclusion
Adoption of this approach in other areas	• UN Habitat reports • RDE Kabul notes	• UN Habitat to report • HMC to task RDE Kabul • RDE Kabul to report • HMC to review	• Year 2 and Year 3
C. NGO Direct Assistance to Displaced People			
Sustainable change for displacement-affected communities	• Case studies requested from NGOs • Independent case study collection	• NGOs to report • HMC to manage contract	• Annually • Quarter 3 of Year 3
Number of individuals served	• Aggregation from NGO reports	• NGOs to report • HMC to calculate	• Annually • Programme conclusion

Overall Budget

An output-based budget can be found in Annex D.

Engagement	Budget in ROI IV (million DKK)	Annual Budget (million DKK)
Citizens' Charter Afghanistan Project	90	30
UN Habitat Sustainable Human settlements in Urban areas to support Reintegration in Afghanistan	65	21,67**
NGO Direct Assistance to Displaced People	140*	46,67
TA, advisory support, reviews and programming	5	1,67**
Total	300	100

* 40 million DKK from 06.32.02.15 – Øvrige indsatser i Asien as well as 100 million from 06.39.03.11 – Øvrige bidrag til akutte og langvarige kriser. Therefore 200 million DKK of the total will come from 06.32.02.15 with the remaining 100 million DKK coming from 06.39.03.11 ** Not necessarily to be disbursed annually.

The budget line for TA can also be used if it is deemed necessary to conduct a review at the end of the SHURA programme period in order for the results of the Danish engagement to become apparent; e.g. how much ground that has been covered in facilitating the reintegration process.

Aid Effectiveness Agenda

The programme's incorporation of global aid effectiveness frameworks was discussed above, such as in relation to the SMAF. As the programme summary makes clear, the spread of engagements reflects the balance agreed in the aid effectiveness agenda. Supporting CCAP, ROI IV will be fully aligned to national priorities and government-implemented mechanisms, in a trust fund mechanism that has strong shared ownership between the government and donors. ROI IV support to CCAP is also intended to address urban and peri-urban displacement, but there is less existing capacity in this part of CCAP and therefore lower expectations for impact. However, UN Habitat's project addresses urban displacement directly, has multiple donors and the government has been closely involved in designing it. It is implemented through non-government systems because the government and the international community have learned lessons regarding the difficulty of delivering results and avoiding harm if land is distributed by weak local systems at this stage of Afghanistan's institutional development. This is based on extensive experience on a sustainable approach to provision of community services in Afghanistan. Among the best examples is the DACAAR water supply programme, which has been recognised by numerous reviews and evaluations. The key is an inclusive, community-based approach to planning, implementation and maintenance, and this is integral to the ROI IV. Finally, at the other end of the spectrum, direct humanitarian assistance is relevant in the context to deliver immediate results against dire needs.

Risk Analysis

The political, security, economic and social context in Afghanistan is likely to be volatile during the ROI IV period. A full risk management matrix is available in Annex E. Programmatic and institutional risks are covered in the engagement summaries below, elaborated in each Development Engagement Document (DED).

Key risks during the ROI IV period are expected to include political instability and continued insecurity. The National Unity Government was expected to be brittle but instead has become stagnant. One result is a lack of political direction for key ministries and at subnational level. During the ROI IV period, delayed parliamentary elections are scheduled, as is the next presidential election. In the meantime, members of parliament have exceeded their constitutional mandate and have remained in place only because of a presidential decree. All of this undermines government legitimacy and inhibits effective transmission of central strategies into services that citizens enjoy and trust. There is a high risk of a break in governance or major delays in implementing reforms.

Meanwhile, outside the gates of government, armed groups control a growing swathe of territory. Government agencies, international organisations and NGOs have struggled to maintain access to many parts of the country. This unstable security situation is likely to continue throughout the ROI IV period. There is a low probability, high impact risk of insurgents overtaking an urban centre for a prolonged period.

There will almost certainly be major terrorist attacks and the frontlines in rural areas will continue to fluctuate. All of this makes it likely that ROI IV engagements will have to be flexible, that some intended beneficiaries will be unreachable, and that government legitimacy will remain fragile.

For displacement programming, a major risk arises from neighbouring countries, who have demonstrated a capacity and willingness to increase returns of Afghans on a significant scale and to deny safe harbour to others. The returns of 2016 were high enough to dent the overall numbers of Afghans in Pakistan and Iran, but there are still hundreds of thousands of others who could be forced to return over the ROI IV period. At a minimum, bigger returns will threaten to overwhelm development programmes. Furthermore, there is a risk that they contribute to crises of local and provincial governance, including by fuelling conflict.

3. Engagement summary

Citizens' Charter Afghanistan Project (CCAP)

ROI IV allocates 90 million DKK to the CCAP over the ROI programme period, a project supported by the Afghanistan Reconstruction Trust Fund (ARTF).⁶ ROI IV funding to the ARTF will be preferenced to the CCAP.

CCAP is a big, ambitious, complex project. Terminology and titles are also potentially confusing. GIRoA's Citizens' Charter is a broad, political and social charter. The CCAP is a project that directly supports some governance aspects and services of the Citizens' Charter, but not all of them.⁷ The objective of the ROI engagement is to support community institutions to include displaced people in government-backed, local development planning. This will serve multiple purposes: strengthening local governance; ensuring displaced people have a voice in local decision-making; and providing tangible benefits such as access to services including safe drinking water and electricity. CCAP will thereby support the reintegration of displaced persons in multiple ways.

In rural areas, CCAP provides continued support to Community Development Councils (CDCs), which were first established under the ARTF's National Solidarity Programme.⁸ CCAP also commits to establishing new CDCs. For each CDC, CCAP assigns an NGO as facilitating partner.⁹ Through the support of the CCAP and the facilitating partner, each CDC is intended to:

- Hold an election to fill positions on the CDC.
- Stratify households based on socioeconomic indicators.
- Map existing infrastructure and services.

Then, in rural areas:

⁶ The Afghanistan Reconstruction Trust Fund is a mechanism jointly owned by GIRoA and the donor community. A detailed description of ARTF as a funding mechanism can be found in Annex B.

⁷ CCAP is intended primarily to deliver small-scale infrastructure. The broader Citizens' Charter envisages communities monitoring and reporting on government services writ large. This would include, for example, monitoring the performance of clinics and, where found wanting, this information should be used by the Ministry of Health to respond, with funding from a different ARTF programme (SEHAT).

⁸ Previous phases of the ROI contributed to this.

⁹ The ARTF has contracted NGOs in regional packages, for example with a single NGO intended to provide support to all CDCs in Nuristan, Kunar and Laghman.

- Choose one priority from a menu of minimum infrastructure standards in relation to electricity, irrigation and roads.¹⁰ Receive a grant from MRRD to achieve the minimum standard, then contract and oversee the work.
- Monitor and report to district governments on the performance of government services not covered by MRRD, for example education and health.
- In 2017, provision has been made for additional funding for Maintenance Cash and Construction Grants (MCCGs). These are grants for the CDCs to organise labour-intensive public works for the lowest 35% of households identified through the stratification process.
- In 2017, provision has been made for additional funding for Social Inclusion Grants (SIGs). These are grants to match CDC initiatives that provide for support to the lowest 35% of households identified in the stratification process whose members would be unable to participate in the Maintenance Cash and Construction Grants, for example women-headed households who cannot labour in the public works activities.

By contrast, in urban areas:

- Receive a block grant. Choose priorities for small-scale infrastructure, maintenance or public works, then contract and oversee projects to achieve these priorities.¹¹

Denmark has communicated to the World Bank that ROI funding is made available to:

1. Contribute to funding for MCCGs after 2017, if this is relevant in later years (as is expected).
2. Contribute to funding and learning from SIGs.
3. Make allowance to further support setting up CDCs in places that receive a high number of returnees and IDPs in 2018 and beyond. In other words, a mechanism to identify where there are significant changes in population and to support the creation of new CDCs.

The CCAP is intended to have broad economic, social and governance impacts that go well beyond the objectives of the ROI. For that reason, ROI's results monitoring draws from a narrow set of CCAP results. The engagement's outcome indicators are available in the summary programme results framework outlined earlier. Further detail is available in Annex C.

The World Bank is the natural partner for this engagement as it plays a lynchpin role in ARTF strategy and administration. The ARTF was also the funding mechanism behind the National Solidarity Programme, which previously received ROI contributions. ROI will make a commitment to the ARTF, preferred to the CCAP and noting the particular interests of the ROI. No capacity building or technical assistance from Denmark is foreseen in this engagement.

RDE Kabul will lead monitoring of this engagement. This is the most efficient and effective arrangement, given the other policy dialogue and monitoring activities of the embassy already ongoing and planned in relation to the ARTF. In this engagement, Denmark's policy dialogue will emphasise monitoring of CDCs' inclusiveness towards displaced people, particularly the most vulnerable.

Significant programmatic and institutional risks arise in this engagement, at two levels. At a higher level, political risks are programmatic risks in the CCAP: recent history in Afghanistan has demonstrated that

¹⁰ In addition, any shortfall in the minimum standard for water availability and quality will be "automatically" prioritised.

¹¹ Urban areas were not covered by the National Solidarity Programme and so there is limited experience of CDCs.

instability within the government and with constitutional processes such as elections can delay implementation of projects like CCAP for many months, or even years. During the engagement period, Afghanistan is scheduled to have (overdue) parliamentary elections and a presidential election. From GIRoA's point of view, CCAP is a political programme, so competing political interests may impede its implementation or at least create uncertainty over its longevity. The ROI has limited ability to mitigate these risks. Instead, the preferred risk treatment will be to with-hold and redirect funding to more direct implementation activities if CCAP is unable to implement at agreed schedules.

At the local level, experience of the National Solidarity Programme shows that it is difficult to make community institutions like CDCs inclusive of displaced people. There is a big expectation but constrained capacity and space for facilitating partners to mitigate this. In the ARTF, the programming focus is technical, top-down and tuned to implementation rates, so there is a risk that exclusion is not well-monitored. Danish dialogue focused on inclusion is one mitigating measure; the choice to direct ROI support to methods that reduce exclusion is another. Additionally, implementation of the urban component of CCAP is far from assured. At present IDLG is seen as having great challenges in managing the funds already received. Whereas MRRD can benefit from a well-established management structure from the previous experience of supporting the NSP, the IDLG is still in the process of developing the required capacity and systems. This process, beginning from scratch, carries with it significant risks. Based on this assessment the Program has allocated funding to UN Habitat to implement support to urban reintegration as a complement to the CCAP, which will focus on rural areas initially.

UN Habitat project Sustainable Human settlements in Urban areas to support Reintegration in Afghanistan

ROI IV allocates 65 million DKK to the project Sustainable Human settlements in Urban areas to support Reintegration in Afghanistan over the ROI programme period. The project, implemented by UN Habitat, aims to provide a foundation for returnees and protracted IDPs to become self-reliant, resilient and productive citizens as quickly as possible. This is accomplished through allocation of well-located land in proximity to suitable livelihood opportunities as the foundation for integration and self-reliance. For ROI IV, the engagement objective is to deliver short-term benefits to fairly selected returnees and to demonstrate an approach that could be adopted for other parts of Afghanistan. CCAP's surest impacts will be in rural areas; UN Habitat's project focus is on urban displacement.

The project will first identify vacant state land that has the potential to provide a durable home for returnees. Target areas include urban centres and secondary cities. Working with government authorities, UN Habitat supports a comprehensive assessment of the carrying capacity of identified sites, including economic, environmental and social considerations. A rapid land allocation process based on collective, 'permission to stay' tenure arrangements will allow beneficiaries to occupy land with minimal delays and without having to wait for allocation of an individual plot.

'Permission to stay' documents are a temporary solution that guarantees tenure security and can eventually be developed into individual occupancy certificates and subsequently land titles in durable solutions locations. Only basic site preparation, such as plot demarcation, basic accessway creation and basic water and sanitation, will take place prior to the arrival of selected beneficiaries. The project will facilitate the distribution of emergency assistance in parallel with permanent development interventions to

improve access to basic services and shelter, augmenting self-reliance, avoiding the creation of dependent ‘camps’ and bridging the humanitarian/development ‘gap’. Ultimately, permanent access to basic services and shelter in target areas will be provided.

During the project phase commencing in late 2017, UN Habitat will support the land authority to identify potential durable solutions sites at scale in urban and peri-urban areas of high return.

Concurrently, interventions to create access to basic services and shelter will take place in one site that has already been identified and cleared in Nangarhar. The target for the SHURA programme overall is to settle a total of 1,725 households, with ROI comprising one-third of the overall budget.

UN Habitat’s previous work in resettling returnees and working with central agencies overseeing local governance make it a natural partner for this engagement. Municipalities will play a central role in the development of services on sites. The programme will work with government officials in the land authority, the municipal/local government authorities and the city government in Jalalabad. The ROI IV contribution will support basic site preparation, provision of basic services, and shelter assistance. No capacity building or technical assistance from Denmark is foreseen in this engagement.

UN Habitat will implement the programme in close coordination with the municipalities. Vacant state land acquired by the land authority will be used for settlement sites. Basic site preparation (prior to occupation) will be carried out by UN Habitat and municipality engineers. Meanwhile, communities will be organised into CDCs and receive block grants from the Project to fund improvement and development of infrastructure. Each household will receive a package with essential inputs sufficient for a 2-room dwelling. Municipalities will be responsible for monitoring compliance of all beneficiaries with the “Permission to Stay” interim tenure security documents, conducting periodic monitoring, and ultimately endorsing beneficiaries who have complied with obligations to receive freehold land title at the end of the five-year period. To mitigate any risk that household will be unable to maintain the cost of utilities, the project will provide intermediate assistance including through engagement three which will support beneficiaries in engagement 1 and 2. The long-term sustainability is that houses will be built where there are livelihood opportunities and support for beneficiaries to take advantage of those opportunities.

UN Habitat’s results framework includes multiple technical indicators related to the land and housing packages. However, HMC’s engagement monitoring will focus on the key quantitative indicators of shelters completed and beneficiaries served. There is an assumption that the technical indicators of land and shelter quality are met, which can be interrogated if necessary by HMC. ROI IV also adopts a qualitative indicator related to the humanitarian-development nexus, i.e. the degree to which the Project’s approach is adapted for use in other areas of Afghanistan. At the impact level, UN Habitat monitors the extent to which the programme succeeds in the overall objective of re-integration of returnees, using a series of qualitative and quantitative indicators. The engagement’s outcome indicators are available in the summary programme results framework outlined earlier. Further detail is available in Annex C.

Several programmatic and institutional risks affect this engagement. At the programmatic level, there is a high risk that beneficiary selection for land and housing may be delayed because the selection process is necessarily complex. Any delay in beneficiary selection will result in a delay in outputs from this engagement, as construction is carried out only with beneficiary involvement. On an institutional level, the

capacity of government partners in this project is low, which may negatively affect the quality of basic services delivered as well as the monitoring necessary to endorse beneficiaries who have complied with obligations to receive freehold land titles at the end of the five year period.

More broadly, the historical impediments to fair and effective land allocation in Afghanistan have not vanished and the displacement situation has aggravated them in many places. These facts create a major risk to ROI IV's ambition that a successful allocation method will be adapted for use in other areas of Afghanistan.

ROI IV has limited ability to mitigate these risks, hence, the greater part of the funding for this engagement will be held back pending the project reaching a significant milestone. One pre-condition for success and indicator of political support is whether significant amounts of land are allocated to this project. Therefore, the commitment to this engagement will be made contingent on land sufficient for at least 500 households passing the Tasfiya process and being allocated to UN Habitat during 2018. If this milestone is not met, the funds may be reallocated to CCAP which, despite its limitations in reaching urban populations, has fewer associated risks.

Close monitoring will be an important part of risk mitigation. Both through regular reporting, and through its oversight role as a member of the Project Board of the project (mandated to oversee project implementation), Denmark will review financial reports and will ensure whether the delivered outputs represent value for money, whether they have been delivered in time and are generating the intended benefits. If deemed necessary a review of results stemming from the Danish engagement can be commissioned using the TA budget line.

NGO Direct Assistance to Displaced People

ROI IV allocates 140 million DKK to a call for proposals from Danish NGOs active in Afghanistan with a proven track record of working effectively on displacement issues in Afghanistan and elsewhere. The objective of this engagement is to ameliorate acute needs among the most vulnerable people in displacement-affected communities with the objective of creating sustainable improvements to infrastructure or livelihoods opportunities. This is also the most flexible engagement in the programme. If the context or partner performance is trending against progress in the other engagements, ROI IV may re-allocate funding to expand NGO activities.

In that sense, this engagement is hedging to ensure that Danish funding and energy can respond to an evolving context.

The call for proposals will not pre-select particular sectors. Instead, it will emphasise three features of NGO capacity and operations. First, there should be plans and capacity to work in communities that will have limited coverage by CCAP or other major government programmes. This is not straightforward to assess or monitor: plans in Afghanistan tend to be made based on provinces and districts, while ROI IV is most interested in the household or community level. Furthermore, at a national, provincial or district level, implementing partners can generate vulnerability-based claims for why they are working in almost any location. At the community and household level, however, it is essentially impossible for ROI IV managers to assess the degree to which vulnerability and inclusion are prioritised in practice. In conjunction with the other features below, the approach to encouraging complementarity will place some emphasis on NGOs

being in communities that ROI IV has confidence are not served by CCAP or related initiatives. Examples would be Kabul, conflict frontlines and areas not controlled by the government, or districts prioritised by CCAP but focusing on displacement-affected villages who will not be engaged by CCAP in practice.

The second feature is attention to urban and peri-urban communities affected by displacement. It is apparent that displacement governance in theory and in practice will diverge a lot in these environments, probably for the full period of ROI IV implementation. For example, whereas there are relatively clear roles and responsibilities between government ministries in rural areas, in urban areas there is a confusion of roles and less clear plans to address displaced people. The call for proposals will value NGO plans that can explain how to reach the most vulnerable people in urban areas affected by displacement and how they will work nimbly with or around local government support. This will be highly complementary to engagement 2, and will allow focus on those communities where SHURA operates to ensure sustainable solutions both to the recipients of housing from UN Habitat but also the wider community to minimise resentment of the support given to returnees

Third, NGO proposals will require a theory of change or results hierarchy that commits to collecting evidence on whether and how activities feed into sustained change for beneficiaries. ROI IV recognises that NGOs play a direct and indirect role in community development processes; in the context of Afghanistan and given the challenges that will face other activities supported by ROI IV, development-oriented activities from NGOs will be valuable. Without prioritising specific sectors, ROI IV cannot easily monitor specific development outcomes. Nevertheless, the requirement for NGOs to demonstrate this reflects a lesson from previous phases of the ROI: if there is an interest to bridge the humanitarian-development nexus, then there must be concrete mechanisms to learn what works. At a minimum, this could involve case studies of sustained change.

Monitoring of this engagement will naturally have to be broad, since excellent proposals may result in several different kinds of assistance or methods to address beneficiary needs. One or two output indicators from each NGO proposal will be incorporated into the output monitoring framework for this engagement. The engagement's outcome indicators are available in the summary programme results framework outlined earlier. Further detail is available in Annex C. Annual reporting from NGOs will be required. The modality for this engagement will be a three-year grant agreement with each NGO, with contributions subject to performance and reporting. HMC will manage these agreements directly.

Earlier phases of the ROI suggest that the biggest risk in this engagement arises from the limited Danish management resources available for monitoring a number of different NGOs operating in a flexible way in a distant conflict zone. Partner selection includes an important element of trust based on a strong track record. Once funded, it is extremely difficult for HMC to know the degree to which NGOs are optimising the use of Danish resources. This is less of a problem when Denmark is providing broad-based humanitarian support, but becomes more of a problem when ROI IV is expecting targeted impacts for particular people in well-selected locations. The engagement results framework incorporates measures to mitigate this risk; annual reporting and dialogues that push partners on these questions will be crucial.

Whichever partners are selected, they are likely to face significant security risks in their work. This will require them to be risk-resistant and flexible, which is not the same as saying they should shy away from attempting to engage displacement-affected communities in hard-to-reach places. In encouraging

proposals that include ambitions of this nature, ROI IV will support well-reasoned decisions by NGOs to spend more money in order to reach under-served people. This comes with additional risk of slow implementation and less sustainable impacts, for example if it takes time to negotiate access or if conflict lines shift and obliterate assistance previously delivered.

4. Overview of management set-up

During the current phase of the ROI, management shifted from Kabul to Copenhagen, which resulted in significant challenges when it came to day-to-day dialogue and follow-up with partners situated in Kabul. Therefore, it is agreed that in ROI IV, the RDE will have the dialogue with partners on Citizens' Charter (participation in working groups or similar under the ARTF, where the international financing for the programme is placed). As mentioned, this is the most efficient and effective arrangement, given the other policy dialogue and monitoring activities of the embassy in relation to the ARTF. In this engagement, Denmark's policy dialogue will emphasise monitoring of CDCs' inclusiveness towards displaced people, particularly the most vulnerable. The RDE will report back to HMC on progress and key issues and have the main administrative responsibility for the grant, with due support from HMC. The latter includes that HMC will assist in drafting potential documents for administrative purposes, which might be necessary in the ongoing dialogue with the World Bank/the ARTF.

Linked to this, during the initial implementation of ROI IV it will be investigated whether it will be appropriate to hire a national staff situated at the RDE in Kabul specifically to follow the displacement component of the Citizens' Charter. A final decision on this need to be taken at the latest in Q4 2018 following the first theory of change review. If deemed necessary the funding for this is inherent in the budget line *TA, advisory support, reviews and programming*.

When it comes to the engagement with UN Habitat, HMC will be responsible for collecting the outlined reports (see Annex C) from UN Habitat and for reviewing these. HMC will make use of the RDE in Kabul to oversee the adoption of the UN Habitat approach in other geographical areas. HMC can request the RDE in Kabul to engage in day-to-day dialogue with UN Habitat and partake in eventual meetings.

As outlined, the engagement monitoring will focus on the key quantitative indicators of shelters completed and beneficiaries served. There is an assumption that the technical indicators of land and shelter quality are met, which can be interrogated if necessary by HMC. Funding is contingent upon reaching a key milestone for UN Habitat; that the government clears (through 'Tasfiya') and allocates one or more parcels of land for housing development suitable for at least 500 units, to UN Habitat.

When it comes to the call for proposals from NGOs, then HMC will – as outlined in the results framework – report, analyse and calculate based on the annual progress reports coming in from the selected NGO partners.

In this way, annual reporting from NGOs will be a main requirement. The modality for this engagement will be a three-year grant agreement with each NGO, with contributions subject to performance and reporting. HMC will manage these agreements directly.

The RDE - with the outlined support from HMC - will thereby ensure that the engagement with the World Bank/ARTF is in accordance with the below; the same will be true for HMC when it comes to UN Habitat and the eventually selected NGOs:

- Regular technical and financial reporting by the partner.
- Continuous dialogue with the partner on achievement of results and possible adjustment of engagement.
- Assessment of use of resources vis-à-vis the results achieved.
- Assessment of whether use of resources comply with regulations.
- Assessment of whether the theory of change and the associated results are still valid or they need adjustment.
- Assessment of the risk context and whether it requires changes in implementation (scenarios).
- Documentation and communication of preliminary results.

These tasks and the associated workload involved in overseeing the programme has been agreed with RDE Kabul.

Gender and Human Rights Based Approach

It is well documented that displacement disproportionately negatively affects women and children. The 2012 IDP Protection Study in Afghanistan found that only 18% of IDP women had national identity cards compared to 83% of men, while 19.3% of IDP women surveyed were widows, compared with 3.6% nationally. Twenty seven percent of IDP households surveyed had at least one child who had been forced to marry, and this was particularly true among female-headed households. Without the culturally expected shield of a husband or male family member, women who face abuse or violence are even less empowered to report cases to seek justice.

UN Habitat and the World Bank both take a gender-based approach to implementation, and UN Habitat's beneficiary selection process pays particular attention to the needs of vulnerable households. First, an assessment of vulnerability is conducted at the field level, and the most vulnerable households are then prioritized and randomly matched with available parcels of land through a system of public ballot and ensures that households with vulnerable people (including female- and child-headed households, and people with disabilities) will be assisted in the unskilled labour component of housing construction by their peers in the community.

Engagement three will require NGOs to fully mainstream gender as well as to focus support on activities which reflect the specific needs of various vulnerable groups that might otherwise not be met in engagements 1 and 2.

Applicable Anti-corruption Measures

If a case of misuse comes to the attention of the MFA, the normal procedures for handling of possible corruption cases etc. would be used. Depending on the case different measurements would be taken; the most severe of which would be the immediate stop of Danish funding to the organisation or area affected. Both the World Bank as well as UN Habitat are respected organisations when it comes to anti-corruption. However, even though clear procedures regarding anti-corruption are in place, the environment in Afghanistan is prone to corruption. Misuse can therefore happen in spite of procedures being in place.

Annex A on the context analysis as well as annex E on risk management also deals with the issue of corruption in Afghanistan.

Communication Plan

Communication of results achieved by the Danish support will be an integrated part of the programme framework once implemented. For the development engagements, a communication plan will be outlined, based on each relevant target group:

- 1) Stakeholders in Denmark (decision makers and general public),
- 2) Afghan decision makers in/outside involved organisations/institutions, and
- 3) “thought leaders” in Afghanistan, Pakistan, Iran and Denmark (think tanks, civil society, academia, experts).

A variety of media will be used to disseminate results. For results on outputs (e.g. a newly developed Community Development Council with participation of IDPs) internet and Facebook will be used to post short “success stories”. For larger results, for example on objective or outcome level, communication channels could be longer newspaper articles (op-eds) in Afghan or Danish newspapers, lectures targeting think tanks or academia, or an entire seminar dedicated to discussing results with a variety of stakeholders.

Annex G briefly outlines the above plan for communication of results.

Annex A: Context Analysis

Overall development challenges, opportunities and risks

General

Afghanistan is one of the most dangerous countries in the world, with violent conflict and a high frequency of natural disasters. Violations of International Humanitarian Law and Human Rights Law occur regularly - including targeted killings, forced recruitment and attacks on health and education facilities. Security decreased across most of the country in 2016, particularly in the northern and southern regions, while the eastern region has seen conflict involving violent extremists declaring themselves affiliated to the so-called Islamic State. As detailed in sections below, the country is facing an increasing number of people on the move. This is a challenge to development planning and to government legitimacy. At the same time, the country is faced by a continuing governance crisis and a rapidly deteriorating economy.

Political economy

Afghanistan is a context of continuing conflict and fragility. Three main challenges can be listed, based on a Systematic Country Diagnostic, carried out by the World Bank Group:

i) Weak state and political institutions, which lack clear mandates and depend heavily on decisions driven more by intra-elite bargaining than by effective use of resources or accountability to citizens. This is exacerbated by privileged access by the elite to economic resources—public procurement contracts, revenue sources, land, mining contracts, and proceeds from illicit economic activities.

ii) The persistent Taliban insurgency, bolstered both by external forces as well as internally by poor governance.

iii) Internal ethnic divisions, which have been made worse during the past several decades of conflict. The tendency to distribute government positions and access to resources through patronage-based networks remains well entrenched.

The drivers of conflict remain largely unaddressed, and the ensuing insecurity resulted in 11,418 civilian casualties and deaths in 2016. The UN Assistance Mission to Afghanistan, UNAMA, reported that 2016 was the worst year for civilian deaths in Afghanistan since 2009 when data was first collected. The UN attributed 61% of deaths to insurgent groups and 24% to government forces. Children comprised 923 of the dead, a 25% increase from 2015 largely due to a 66% increase in casualties from mines and munitions.

The long years of war have hollowed out state institutions. Corruption, criminality and political instability have led to widespread disenchantment with the ruling elite in turn fuelling the Taliban insurgency. Since 2006, the Taliban and other insurgent groups have contested government control in a gradually increasing area of the country, which has reduced the government's capacity to connect with Afghan citizens. This has also necessitated high expenditures on the security sector and contributed to continuing large-scale movements of internally displaced persons. The conflict has resulted in over 1 million internally displaced people, while large scale emigration has contributed to a 'brain drain' of talented and educated people. At the same time, the country's difficult topography, vulnerability to climate change, and growing population at 3 percent a year have imposed additional constraints on development. At nearly 50 percent, Afghanistan's proportion of population aged 15 years or below is the second highest in the world. High rates of youth unemployment and lack of prospects creates a significant incentive to join radical groups and further fuels instability. For economic growth to have any impact on poverty it has to be particularly high and broad based to compensate for the high population growth rate and youth bulge. At the current rate, it is unlikely that this can be achieved - sluggish economic growth in 2016 did not keep pace with rapid population growth.

The worrying economic situation is closely related to the security and governance crisis. The drawdown of international troops in 2014 led to an economic downturn, while in the same year fraught and problematic elections raised the political temperature to worrisome heights. Both candidates claimed victory in the second round of the presidential election. After a tense period of uncertainty, Ashraf Ghani was inaugurated as President

with a new post of 'chief executive officer' taken up Abdullah Abdullah as part of a government of national unity. The second round of voting had been marred by accusations of mass fraud and failures of institutions such as Independent Election Commission (IEC) and Electoral Complaints Commission (ECC) to prevent fraud and political manipulation of the process. As noted by Chatham House "the failure of the election process and the ad hoc nature of the agreement between the candidates underlined the continuing deep flaws in Afghanistan's political system and political culture." The underlying weaknesses in the political system were reaffirmed by the failure to hold Parliamentary elections before the parliamentary term expired in June 2015. President Ghani issued a decree extending the parliament until new elections, presently scheduled for July 2018 while debates over electoral reform continued between different power blocks.

While the Government of the Islamic Republic of Afghanistan (GIROA) has committed to an ambitious reform program, it is hampered by political and economic uncertainty. There have been substantial improvements in development outcomes since 2001, particularly in terms of improved access to basic services such as water, sanitation, and electricity, and increased human development in education and health. UNDP's Human Development Index 2016 noted that rapid gains had been made since 1990, with a 62.5% increase in the index. However, some gains are now being eroded due to growing insecurity, stagnating growth, and rising levels of poverty. Afghanistan remains ranked very low - 169th - in the 2016 UNDP Human Development Report, although gross national income (GNI) per capita had risen to USD 1871. High levels of unemployment (around 40%) means economic gains are poorly distributed, and social and economic inequality was calculated to be responsible for a 32% overall loss in HDI. Poor nutrition, especially of children, threatens welfare and education gains: the 2017 Humanitarian Response Plan estimates that some 1.8 million people require treatment for acute malnutrition.

While resolving security challenges will require political negotiations and military success, it may be assumed that stronger public confidence in the government's ability to provide equitable and quality services will increase support for government in this difficult context. The challenges related to displacement and the response from the Afghan government is largely dependent on the general security situation in Afghanistan. This, in turn, affects whether (positive) change is possible or not, though the security situation is also dependent on how issues such as governance fare. Therefore, no simple cause and effect relationship can be developed – the context is too complex for a simplistic model, which also renders this comprehensive context analysis all the more essential.

Sources:

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Conflict and displacement

The continuing conflict is reflected in the Afghan displacement crisis being among the largest in the world for the past several decades and that there is no sign of this changing to the better. Currently there are an estimated 3.5 million Afghans living in Pakistan and Iran, and there has been a recent upsurge in the numbers of Afghans fleeing to Europe. Internally as well, conflict is generating an increasing number of displaced people; the UN reports that

an unprecedented close to 640,000 were newly displaced in 2016, while the number this year to date exceeds 200,000 internally displaced persons (IDPs). On average, every day sees another 1,500 people forced to leave their homes, escaping violence. Displaced families are scattered across 34 different provinces. Many move to urban areas, where they make up a large proportion of those who are poor, and intensify existing problems of poor infrastructure and services.

Approximately 20% of IDPs are found in gradually expanding areas of nongovernment controlled territory and therefore extremely hard to reach for humanitarian actors. Children comprise 56% of the displaced, and face particular risk of abuse, and exploitation, as well as interrupted school attendance and harmful child labour. Multiple forms of gender based violence (GBV), particularly early and forced marriage, domestic, psychological, and sexual abuse are reported, affecting individuals in hosting and displaced communities alike.

In November 2015, UNHCR reported that approximately 20% of Afghanistan's population of 32 million was composed of returnees, indicating the pervasive nature of forced migration across the country. The number has been augmented by the unprecedented return of some 600,000 registered refugees and undocumented Afghans from Pakistan in 2016. For the majority, return was reluctant, and the experience often abrupt and distressing. Once in Afghanistan, many of them added to the ranks of internally displaced, as conflict and lost community networks and access to land and housing prevent them returning to any place of origin. Many has ended up in urban areas, thereby compounding the challenges associated with IDPs tending to move into urban areas.

With no obvious prospects for an improved state of affairs, the UN estimates that 2017 is likely to see at least 450,000 new IDPs and potentially as many as a million more Afghan returns from Pakistan and Iran (though estimates of the latter figure have been reduced significantly lately). The massive increase in the number of registered and unregistered refugees and migrants returning from neighbouring countries during 2016 and the first half of 2017 has put immense pressure on the overall absorption capacity, infrastructure such as water supply in urban areas, land, livelihood opportunities and basic social services.

Another consequence of the continuing crisis is a continuing growth in the number of Afghans seeking asylum in Europe, including Denmark, during recent years. They originate not only from Afghanistan itself but also from refugee communities in Pakistan and especially Iran. The fact that they are moving towards Europe is an indicator of reduced trust in possibilities of building a decent life in Afghanistan at some point in the future.

This has become a pressing issue in the relationship between the GfRoA, the EU and Member States. At the same time, emigration entails a very concrete threat of losing skilled labour as educated people depart to study and settle abroad, where they are mostly unavailable to contribute their skills and experience to rebuilding Afghanistan.

In light of all these negative trends, displacement-related issues constitute a major development challenge for the Afghan government and for Afghan communities, therefore making the development of appropriate responses all the more pressing. The Citizens' Charter, is meant to address some of these pivotal issues of conflict and displacement by for instance strengthening living conditions and resilience in primarily rural and later urban communities around Afghanistan, thereby also enhancing government legitimacy, which is very low. The engagement with UN Habitat will address the urban issues of displacement in the first instance.

The long-term nature of the displacement that many returnees face underlines the need for Denmark's ROI program to ensure responses tailored both to meet urgent humanitarian needs and long-term development challenges. This is achieved through a carefully selected mix of partners, comprised of the Citizens' Charter programme, which also serves to enhance government capacity and legitimacy; the settlement programme being developed by UN-Habitat that promises to provide a fair and transparent process for selecting vulnerable beneficiaries for land allocation and housing in support of long-term settlement; and trusted NGO-partners that are well placed to provide both short-term humanitarian assistance and longer-term community development services. With these components, the programme is fully aligned with Afghan government strategies in respect of displacement, which have now been mainstreamed as an overriding priority in national development programmes.

Alignment with national priorities and systems is ensured through the partnership with the Citizens' Charter

Afghanistan Project (CCAP), officially launched on 25 September 2016, with the World Bank as grant administrator (through the Afghanistan Reconstruction Trust Fund, ARTF). It is the hope that this government partner seen in relation to the coming Danish Afghanistan Country Programme will maximise the effect of the engagements. CCAP builds on lessons learned from the previous National Solidarity Programme, supported by Denmark, including the need to make community development institutions more inclusive of displaced people. CCAP acknowledges that the most displacement-affected districts should be a priority and by including rural and urban areas, allows solutions to be tailored to local patterns of displacement and return.

Sources:

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Wider challenges related to climate change and environment

Natural disaster-induced displacement contributes to the challenge of displacement in Afghanistan. The United Nations estimates that on average 250,000 people are displaced every year by natural disasters such as flooding, landslides, drought, and earthquakes in Afghanistan. The combination of poverty, old and insufficient infrastructure and low capacity of duty-bearers to fulfil their responsibilities means there is little resilience when natural disasters occur. Degradation of environmental quality and loss of resources presents one of the big challenges in the development of Afghanistan. Deforestation at an average of 2% a year has been occurring for decades, and forest now occupies less than 2% of the country's total area. Rangelands are being converted to rain-fed wheat production, exposing vast areas to wind and soil erosion.

While Afghanistan is not a water-scarce country in reality the yearly availability of water in Afghanistan is characterized by considerable variations across regions and in different months. The country also has the lowest water storage capacity in the region. Water scarcity is growing and is due to accelerate, linked to climate change. As mountains are the largest source of water, loss from glaciers and snowmelt is leading to flash flooding and long term depletion of an essential resource. Agriculture, on which much of Afghanistan is dependent, will be severely affected, and it is projected that by 2060, large parts of the agricultural economy will become marginal without significant investment in water management and irrigation. Climate change will in the medium-term seriously negatively impact livelihoods, social protection and health.

Afghanistan's natural resources are a conflict driver as elites fight to control valuable extractive industries. According to the 2017 Resource Governance Index, Afghanistan's iron ore mining sector scores 34 out of 100, and ranks 71st out of 89 assessments carried out.

This program, focusing on small-scale livelihoods programs, fits entirely within a sustainable economic development model. There are few overlaps with climate change and environmental issues.

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The human rights situation (HRBA) and gender

The insurgency continues to be the biggest threat to the human rights of all people in Afghanistan.

The UN Office of the High Commissioner for Human Rights reported on the 15-day occupation of Kunduz by Taliban forces in October. The report documents arbitrary killings, abductions, and violence, including threats and widespread criminality, and the use of child fighters. The insurgency affects access to all social, economic, civil and political rights. Taliban and Daesh affiliates have actively targeted media outlets, schools, and polio vaccine workers, preventing access to education, health, and freedom of movement. Daesh affiliates were reportedly responsible for sectarian attacks, including the beheading of seven Hazara in Zabul in November last year, and attacks on religious minorities appear to be increasing.

Although the legal framework protects most key human rights, conflicting provisions privileging religious principles, as well as weak enforcement limits the realization of such rights. Afghanistan has ratified most international human rights instruments, and the Constitution explicitly refers to these commitments in Article 7: “the state shall abide by the UN Charter, international treaties and international human rights conventions that Afghanistan has signed and the Universal Declaration of Human Rights”. The Constitution states that men and women have equal rights; prohibits forced labor, torture, and other inhumane punishments; assures free health care and education; guarantees women’s right to education and their right to work. However, the Constitution builds-in discrimination by, for example, stating that the president and vice president must be Muslim and that “no law can be contrary to the beliefs and provisions of the sacred religion of Islam”. Indeed, Article 121 gives the Supreme Court power to review laws, legislative decrees, international treaties, and international conventions, and interpret them, in compliance with the Constitution. The Supreme Court can reject any law or treaty arguing that it violates Islamic principles. As the “the beliefs and provisions of Islam” are not further defined, this has had the effect of undermining the human rights provisions of the Constitution. There is currently no mechanism, other than the interpretive power given to the Supreme Court, to resolve the built-in conflicts and apparent contradictions between the human rights provisions of the Constitution and the clauses asserting Islam.

Afghanistan is a signatory to the Convention on the Elimination of all forms of Discrimination Against Women (CEDAW). In the SMAF the Afghan government committed to improve women’s access to justice; to increase their participation in government; and to prepare and implement laws on anti-harassment and the elimination of violence. In 2015, Afghanistan launched the National Action Plan (NAP) for Women, Peace and Security, outlining how the government would implement UN Security Council resolution 1325. Although the NAP was widely welcomed, the absence of detailed implementation plans has undermined confidence in the commitment to implement its provisions.

Afghanistan is ranked 150 out of 152 countries for Gender Inequality Index, with some of the worst results against key gender indicators in the world. The maternal mortality rate is 460 per 100,000 live births and adolescent birth rate is 86.6 per 1,000 women aged 15–19 and although more girls have had access to education over the past decade than in any other time in Afghan history, there is still a significant gap between girls’ and boys’ access to education, with the literacy rate estimated at 39% for males and 12% for females. Although the overall situation for Afghan women has improved since the fall of the Taliban regime in 2001, violence against women remains high, particularly in the rural areas.

The government had adopted various measures for the protection of women and the prevention of violence against them in the previous four years. Of particular note were: (a) the adoption of the Elimination of Violence against Women Law in 2009; (b) the establishment of special prosecution offices for cases of violence against women; (c) the establishment of the High Commission for Prevention of Violence against Women and provincial offices thereof in 23 provinces; (d) the establishment of 16 protection centers/shelters for women victims of family violence; (e) the establishment of departments of women’s affairs in 32 provinces; (f) the establishment of gender units in 22 ministries; and (g) the establishment of a gender and human rights unit within the police academy. The impact of these initiatives remain questionable.

Afghanistan has high incidence of violence against women, confirmed by UN reports documenting widespread harmful practices and evaluating the government’s progress in implementing the Elimination of Violence Against Women Law 2009 (EVAW). These reports found that while the government has taken some measures to enforce legal protections to protect women and girls from violence, most cases are still mediated with further concerted and concrete measures required to end widespread violence and discrimination against Afghan women and girls

and ensure they have access to justice.

According to the Afghan Independent Human Rights Commission (AIHRC) the most common forms of violence against women are physical (mostly beating) and sexual assaults (mostly rape). Documented cases of violence against women have risen, with 5,132 cases reported to the AIHRC including 241 murders in 2016.

Breaches of women's rights are pervasive and prevent their access to justice. Local law enforcement officials reportedly detain persons illegally on charges not provided for in the penal code. In 2012 the Attorney General's Office ordered a halt to the prosecution of women for "running away," which is not a crime under the law. Reports indicated that prosecutors instead charged women who had left home with "attempted zina" (extramarital sexual relations) for being outside the home in the presence of nonrelated men, which is also not a crime under the law. A UN report on women's experiences of the justice system found that police and legal officials often charged women with intent to commit zina (to justify their arrest and incarceration for social offenses, such as running away from home, rejecting a spouse chosen by her family, fleeing domestic violence or rape, or eloping. Authorities placed some women in protective custody to prevent violence by family members. They also employed protective custody (including in a detention centre) for women who had experienced domestic violence, if no shelters were available to protect them from further abuse. UNAMA concluded that 65 percent of cases filed under ERAW that involved battery and other kinds of serious abuse were resolved through mediation, while only 5 percent led to criminal prosecution. Mediation was performed sometimes without the victim's consent or even her participation. The processes range from being entirely external to the justice system, to active participation and facilitation by police or other actors.

The Law on the Elimination of Violence Against Women 2009 (ERAW) obliges police to arrest persons who abuse women. Implementation and awareness of the ERAW law was limited, however. In cases where no clearly defined legal statute applied, or where judges, prosecutors, or elders were unaware of the statutory law, judges and informal shuras enforced customary law. This practice often resulted in outcomes that discriminated against women. Citizens had limited access to justice for constitutional and human rights violations. In some cases authorities wrongfully imprisoned women because they deemed it unsafe for the women to return home and there were no women's shelters available. Similarly, some children in the criminal justice system were victims rather than perpetrators of crime. In some instances authorities perceived victims as in need of punishment because they brought shame on the family by reporting an abuse.

Despite Afghan laws granting women the right to access and own property women's ability to own and control land is restricted. Arable land in Afghanistan is an important sign of economic and political power. Demanding those rights often results in their social expulsion or being threatened with divorce. For many Afghan women, security of tenure is only achieved through their relationship with men – their fathers, husbands, brothers or sons. At the end of their relationships with men through either death or divorce, women become vulnerable to losing the possessions and security against competing interests of dominant family members. The prescribed inheritance shares and marriage payments (*mahr*) under *Shari'ah* represent two main opportunities for women to gain ownership of land and housing and achieve security of tenure. However, women can find themselves unable to realize or control those resources due to traditional and discriminatory attitudes to women's position, as well as structural issues of illiteracy, low female employment and a weak and ineffective judicial system which impose further constraints on women's access to property. Lack of awareness of their rights, physical access to legal documents, and prohibitive law enforcement mechanisms all prevent women from claiming property and winning disputes.

Displacement increases the vulnerability of women and children to violence, especially as female-headed households are more frequent among IDPs than in the general population. One survey in 2012 found 19.3% of IDP women surveyed were widows, compared with 3.6% nationally. Twenty seven percent of IDP households surveyed had at least one child who had been forced to marry, and this was particularly true among female-headed households. Without the culturally expected shield of a husband or male family member, women who face abuse or violence are even less empowered to report cases to seek justice.

Although most women suffer either from the violence in family or cultural environment, many have also suffered violence from the ongoing fighting in the south, east and northern parts of the country.

Social expectations restricting women's freedom of movement and ownership/control of property constitutes the largest barrier to participation in the program, even in government-controlled areas. This is especially the case for female-headed households, which may be at risk of exclusion unless specific steps to identify and support participation. The 2012 IDP Protection Study found that only 18% of IDP women had national identity cards compared to 83% of men. Women's limited ability to move freely will need to be counterbalanced by specific measures to enable them to participate in the program. The program results framework requires UN Habitat's beneficiary criteria to be fair, while participation in the Citizens' Development Councils under CCAP will effectively include representation from displaced communities.

While this program does not directly address GBV, supporting families to settle into sustainable housing and employment is likely to address some of the stresses, which are linked to domestic violence and vulnerability to sexual exploitation. The recognition that female-headed households are disproportionately represented among IDPs and that they face particular vulnerabilities and access will also impact on program implementation. The program is aligned to SMAF and intersects with areas of the NAP on Women Peace and Security and therefore can support progress on both those instruments.

The key rights holders in the program will be receiving communities, IDPs and returnees. The key duty bearers will be central and local government institutions responsible for implementing CCAP and Citizens Development Councils as well as UN Habitat.

Sources:

Danish Refugee Council: Afghan Displacement Summary June 2017 (2017).
 Council of the EU, Foreign Affairs Council Meeting, Council Conclusions on Afghanistan, June 2014.
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 Norwegian Refugee Council: Challenges of IDP Protection Study (2012).
 The Asia Foundation: Survey of Afghan People (2016).
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 UN: Afghanistan Protection of Civilians in Armed Conflict (2017).
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 UN Women Afghanistan.
 Human Rights Brief 11: The Implementation of Constitutional Human Rights in Afghanistan (2004).
 USAID: Afghanistan Gender Country Profile (2016).
 US State Department: Afghanistan 2015 Human Rights Report (2016).

Ongoing stabilisation/development and resilience efforts

The New Deal for engagement in fragile states - of which Afghanistan is a pilot country - sets distinct Peace-building and State-building Goals (PSGs) in five areas: legitimate politics, security, justice, economic foundations, and revenues and services. In line with this, at the Tokyo Conference in 2012, the international community pledged ongoing support for the development of Afghanistan based on the Tokyo Mutual Accountability Framework (TMAF). The TMAF included a government commitment to implement a series of political and economic governance reforms. Donors agreed to exceptional levels of funding through the transition period and steps to increase aid effectiveness. These included alignment of 80% of aid with the National Priority Programs (NPPs) and channeling at least 50 percent of development assistance through the national budget.

In 2014, the new Unity government presented an ambitious reform agenda at the London Conference on Afghanistan and the 2015 Self-Reliance through Mutual Accountability Framework (SMAF). The reform agenda focused on economic growth, macro-economic stability, good governance and poverty reduction, and allowed donors to align their support with the government's vision. The SMAF plays the de facto role of the New Deal "compact" – an agreement to ensure alignment, harmonisation and donor co-ordination, reduce duplication, fragmentation and programme proliferation. Reforms were further supported through centralization of public procurement and a public financial management reform roadmap was produced in order to bring the budget process in line with national priorities. Building on these factors, it is expected that the Citizens' Charter Program

will have a strong foundation when it comes to budget scrutiny and external auditing; something that was also an integral part to the predecessor of the Citizens' Charter Program, the National Solidarity Program.

In October 2016, more than one hundred countries and international organizations gathered in Brussels to renew their partnership with Afghanistan. Building on the commitments made at the 2012 Tokyo Conference and 2014 London Conference, the international community recommitted to providing substantial financial support to Afghanistan as it moves toward self-reliance during its Transformation Decade (2015-2024). Charting the path forward, the Afghan government unveiled a new development strategy, the Afghanistan National Peace and Development Framework (ANPDF), which was endorsed by the international community. Participants also endorsed a set of 24 new deliverables under the SMAF, which will measure progress in development and reform in the near term. These include progress on anti-corruption, governance, rule of law and human rights as well as fiscal sustainability and public finance management. Progress against those jointly formulated targets is regularly assessed. The EU and other donors channel their incentive funding contributions upon achievement of reform targets through the World Bank's Afghanistan Reconstruction Trust Fund (ARTF).

Corruption

However, the endemic levels of corruption - the country came 169th in Transparency International's 2016 Corruption Perception Survey - undermine efforts at reform. Corruption impedes access to basic services, de-legitimizes the state, fuels conflict and has been recognized as one of the country's greatest security threats. It is fuelled in large part by the illicit narcotics trade and the enormous 'off-budget' aid inflows over the past decade, which have strengthened patronage networks, funded armed groups, and exacerbated grievances. On a day-to-day level Afghans experience this in untrustworthy and badly-functioning public institutions, including organs of justice such as the police and judiciary. According to the UNODC's Afghanistan Opium Survey 2015 183,000 hectares were planted with opium poppy in 2015. The opium trade as a whole accounts for about 15% of Afghanistan's economy, while the country produces 90% of the world's opium. Corruption enables and facilitates the trade, and the associated laundering of profits. Despite efforts over many years, the government and the international community have not made alternatives to poppy farming sufficiently viable and attractive.

As an anti-corruption measure on government level, the National Procurement Committee headed by president Mohammad Ashraf Ghani, has been set up, but given the scale of the problem, and the deep roots corruption and criminality have now established, this measure looks unlikely to effect any serious change. As the ranking from Transparency International indicates, the magnitude and pervasiveness of corruption in Afghanistan in recent years have been striking. The corruption risks will therefore have to be continuously taken into consideration when operating in an Afghan context. Effective integration programs will require receiving communities and returnees to have access to secure sustainable livelihoods to de-incentivize involvement in the narcotics trade.

Sources:

AAN: Economic Management in Afghanistan: What worked, what didn't, and why? (2015).

DAC International Network on Conflict and Fragility (INCAF).

EU: Crisis and fragility management.

International Dialogue for Peace and State Building – New Deal.

Failed State Index (www.fundforpeace.org).

Global Peace Index (www.economicsandpeace.org).

Integrity Watch Afghanistan: National Corruption Survey 2016 Afghan Perceptions And Experiences Of Corruption (2016).

Islamic Republic of Afghanistan: Afghanistan National Peace and Development Framework (ANPDF) 2017-2021 (2016).

Solution Alliance (humanitarian-development nexus): <http://www.solutionsalliance.org/>

Transparency International: Corruption Perception Index 2016, Afghanistan.

UNHCR: Solutions Strategy for Afghan Refugees to Support Voluntary Repatriation, Sustainable Reintegration and Assistance to Host Countries (2015).

UN OCHA: Afghanistan: 2017 Humanitarian Response Plan (2017).

UN Security Council Resolution on Women Peace and Security (UNSCR 1325).

World Bank: Fragility, Conflict and Violence.

World Bank: Supporting growth and stability in Afghanistan: the country partnership framework summary 2017 to 2020 (2016).

Danish comparative advantages

Generally, Denmark is at the forefront as a donor willing to invest in and promote development responses to forced displacement. This has led to strong partnerships with e.g. the World Bank and UNHCR, something that the present programme framework will also be able to benefit from.

Denmark has a distinct comparative advantage by being a flexible and predictable partner, as also documented during the previous phases of the ROI. This makes partners able to respond to a rapidly changing context and emerging crises at short notice. Such response can include reallocation of funds from the outlined partner activities to other more timely activities that has been adjusted to the needs of rapid context changes.

Denmark's focus on HRBA and gender highlights the need to ensure that processes, methods and outcomes are inclusive where possible and that interventions target relevant marginalised or vulnerable groups. This helps to retain focus on issues where GIRoA has made commitment but has not effectively created change on the ground such as women's equal access to property.

The engagement with UN Habitat has the potential of paving the way for a new land settlement scheme in Afghanistan, while simultaneously addressing issues of displacement in urban and peri-urban areas, which has been extremely difficult to address in the Afghan context. The UN Habitat project has the promise of making the Danish engagement distinct from other donors by actively engaging in urban areas.

Danish alignment with the partner's own frameworks and strategies – where these align with Danish priorities – increases ownership and sustainability and increases the chances of achieving results.

Matching with Danish strengths and interests, engaging Danish actors, seeking synergy

The programme framework addresses the aims in Denmark's strategy for development cooperation and humanitarian action (The World 2030) of promoting peace, security and protection by alleviating immediate humanitarian needs for displaced persons and returnees, while at the same time allowing these individuals the possibility to return to a safe and dignified life – even if it is not possible to return to their home. By enhancing access to basic social service delivery and increasing absorption capacity of both rural and urban areas the program framework addresses this issue head on. Communities that receive large groups of displaced people and returnees will therefore also be assisted.

Seen together with the development initiatives under the country policy paper for Afghanistan, collaboration with the government on Citizens' Charter will further enhance relatively good access to the Afghan government in order to strengthen Danish priorities.

The donor landscape and coordination, and opportunities for Denmark to deliver results through partners

Well-functioning donor coordination mechanisms are in place as well as coordination between implementing organizations in Afghanistan.

As it is also outlined in the review of phase III of the ROI, there are now large-scale programs that are declaring an interest in displaced people – the amount of money tagged as relevant to these beneficiaries is now larger than when ROI III began. Therefore it is envisaged that the precursor to the Afghanistan Country Program will deal with problems of absorption capacity with an explicit focus on urban and peri-urban areas as well, while maintaining an engagement with rural communities. A substantial engagement with the Citizens' Charter Project (CCAP) implementation will entail that Denmark places itself solidly on the map when it comes to issues of displacement

and the link to the humanitarian-development nexus. The limitations of the CCAP project in urban areas will be supplemented by a carefully structured engagement with UN Habitat. Having been implementing projects relating to displacement and reintegration in urban areas in Afghanistan since 2006, UN Habitat represents the lead organization in this area with both a strong record, technical skills and close partnerships with the Government. The formulation mission concluded that UN Habitat's track record as well as its close alignment with local, and national government priorities (including the National Peace and Development Framework, the Urban Priority program, the Citizens' Charter National Priority Program and National Policy on IDPs) made them a good choice to deliver an innovative approach to reintegration. This is reinforced by the third component, which will reach out both to communities not targeted by CCAP, and to communities where additional inputs are required to sustain the reintegration process of UN Habitat's interventions. The fact that Denmark also provides significant support for solutions-oriented activities through annually renewable strategic partnerships with the UN High Commissioner for Refugees (UNHCR) and the Danish Refugee Council (DRC) underlines the relevance of this approach.

Sources:

Islamic Republic of Afghanistan: Afghanistan National Peace and Development Framework (ANPDF) 2017-2021 (2016).

MFA: The World 2030, Denmark's strategy for development cooperation and humanitarian action (2017).

Regeringen: Regeringens udviklingspolitiske prioriteter 2017 (2016).

Udenrigsministeriet og Forsvarsministeriet: Afghanistanstrategien 2015-2017 (2015).

Status and progress in relation to SDGs

The support under the proposed program will specifically target Sustainable Development Goals 11, sustainable cities and communities, by focusing on challenges to urban areas and communities that the displacement situation in Afghanistan creates, thereby hopefully enhancing the absorption capacity of these communities. Furthermore the support for Citizens' Charter will also be part and parcel of supporting SDG 16, Peace, Justice and Strong Institutions, as the Citizens' Charter will work to enhance accountable and inclusive institutions at all levels by developing more inclusive and transparent Community Development Councils.

The three engagements proposed will all work to underline the principle of "Leaving no one behind" by having a strong focus on the most vulnerable – in urban as well as in rural settings thereby also contributing to SDG 1, No Poverty. In addition, all engagements will have a specific focus on SDG 5, Gender Equality as well as SDG 6, Clean Water, Sanitation, which is part of both MCCGs within Citizens' Charter and inevitably also part of the UN Habitat project as the construction of houses includes facilities such as access to water and sanitation.

Annex B: Partners

Afghanistan Reconstruction Trust Fund (Citizens' Charter Afghanistan Project)

The ARTF was established in 2002 to provide a coordinated financing mechanism for the Government of the Islamic Republic of Afghanistan's (GIROA) budget and priority national investment projects. ARTF is a funding mechanism jointly owned by the government and the donor community. It provides funding to key national priority programmes, and often large scale development and reconstruction initiatives with an annual budget of around USD 1 billion. The World Bank serves as the financial management agent with responsibility for mitigating and responding to fiduciary risks.

The support funded through the ARTF is 'on-budget' and thus uses the GIROA's systems and procedures, with the World Bank implementing post-assessments. The ARTF funds are managed under a recurring costs window and an investment window. The ARTF recurrent cost window was established to provide predictable and transparent operating budget support for wages and operating and maintenance. The recurrent cost window supports 18-20% of the non-security operating budget. The investment window pools donor funding for investment projects under major national priority programs, of which the Citizens' Charter Afghanistan Project is one.

The ARTF is a primary mechanism that is supporting Denmark to streamline its aid portfolio and is likely to receive a significant contribution from the Country Programme. Preferring pooled funding and multilateral engagements is not limited to Denmark, but a marked trend among like-minded donors. This joint approach will lead to increased risk sharing and allows for a joint donor approach to add pressure on the World Bank to deliver. Denmark will focus its displacement-related dialogue with the government on reporting and debate around the Citizens' Charter Afghanistan Project.

UN Habitat

In Afghanistan, UN Habitat is engaged in direct implementation of housing and land projects; in capacity-building for government agencies; and in advocacy on urban development and displacement issues. It is also retained by the ARTF as an advisory partner in implementing the Citizens' Charter in urban areas. In the period 2008-2016, UN Habitat managed a portfolio of approximately US\$290 million involving 39 separate engagements/projects many involving displacement, and urban planning. It has therefore a significant track record in this area, and can be seen as the lead organization in Afghanistan relating to displacement in urban areas.

UN Habitat has effectively navigated its role as an implementer and advocate for displaced people in projects funded by, a multitude of donors including CIDA, JICA and USAID. The agency has implemented multiple phases of the EU-funded Reintegration of Returnees and IDPs Project since 2006 (EC 5) to 2017. A Results Oriented Monitoring Mission reviewed the EU-funded Local Assistance to Vulnerable Excluded & Uprooted People (LIVEUP) project in January 2017 with no negative assessments, and a recommendation for continued funding to UN Habitat for similar activities. This provides reassurance as to the agency's financial management system, and its ability to produce timely and satisfactory financial and physical progress reports.

Finally, the proposal by the EU to fund the SHURA Programme (which was in final stages of agreement at the time of writing) in the amount of approximately 17m Euro means Denmark's contribution then becomes approximately 1/3 of the total cost of the Programme and provides another layer of risk mitigation. Core staff costs have been cost-shared with the EU, as has the establishment of the Beneficiary Selection System (including the related-IT costs). The project budget as Annex D sets out the outputs to which Denmark's contribution will be applied.

There is evidence that UN Habitat has contributed to discussions on displacement issues affecting urban areas. During Denmark's formulation process for this programme, Afghan government agencies have commented positively on UN Habitat's focus and implementation, while urging that it do more to transfer personnel and capacity into operating areas of the government.

UN Habitat's major government partners of relevance to ROI IV are:

- The Independent Directorate for Local Governance, which is the central government agency responsible for supporting local government.
- The Afghanistan Land Authority, which includes responsibility for surveying and clearing land for settlement by displaced people.
- Kabul Municipality, i.e. the city-level government.

NGO Partners

NGOs will be selected through a competitive call for proposals in late 2017. This engagement will supplement and magnify the impact of engagement 1 and 2 by targeting support to the same populations and individuals targeted by the other engagements. A key component of that call for proposal will be to ensure that long-term and sustainable solutions for livelihoods are put in place alongside access to basic services and housing.

Annex C: Results Framework

ROI IV is a small amount of funding relative to the size of Afghanistan's displacement challenges. On its own, it can be important to the lives of several thousand people affected by displacement. At the strategic level, it will have an impact only to the extent that pooled funding mechanisms deliver what they intend, so there is little added value from creating programme-level impact indicators. The standard template for the results framework has therefore been adapted at the programme level, to focus on two indicators:

- Periodic review using the theory of change, including to allow for significant alterations in the event there are major changes to the context or partner performance.
- The programme level also includes indicators of programme management effectiveness, building on lessons from previous phases.

Programme		Regions of Origin Initiative – Afghanistan – Phase IV (2018-2020)	
Programme Objective		To help secure access to protection and durable solutions for returning Afghan refugees and internally displaced persons	
Indicator		Theory of change assumptions valid	
Baseline	Year	2017	Assumptions debated and included in this programme document
Target	Year	2018	1 theory review seminar evidenced by seminar notes that include decisions on change in assumptions and resulting decisions
Target	Year	2019	Cumulative 2 theory review seminars evidenced by seminar notes that include decisions on change in assumptions and resulting decisions
Indicator		Percentage of engagement indicators with data recorded	
Baseline	Year	2017	0%
Target	Year	2018	75%
Target	Year	2019	100%
Target	Year	2020	100%
Indicator		Geographical spread of NGO activities aligns with CCAP and UN Habitat efforts	
Baseline	Year	2017	Unknown
Target	Year	2018	NGOs provide assistance to communities not engaged by the other projects, or by providing a kind of assistance that is not available from other projects, as analysed by HMC based on NGO reports, ARTF reports, UN Habitat reports and OCHA mapping
Target	Year	2019	NGOs provide assistance to communities not engaged by the other projects, or by providing a kind of assistance that is not available from other projects, as analysed by HMC based on NGO reports, ARTF reports, UN Habitat reports and OCHA mapping
Target	Year	2020	NGOs provide assistance to communities not engaged by the other projects, or by providing a kind of assistance that is not available from other projects, as analysed by HMC based on NGO reports, ARTF reports, UN Habitat reports and OCHA mapping

Engagement Title		Citizens' Charter Afghanistan Project	
Outcome		Displacement-affected communities engaged by Citizens' Charter	
Outcome indicator		Number of beneficiaries in displacement-prioritised communities, as reported by ARTF	
Baseline	Year	2017	0

Target	Year	2020	
Outcome		Displaced people are included in local governance mechanisms	
Outcome indicator		Inclusiveness of CCAP towards displaced people, as reported by ARTF and RDE Kabul, with analysis by HMC	
Baseline	Year	2017	NSP concluded that displaced people were often excluded by CDCs due to community-level exclusion and to deficiencies in CDC elections
Target	Year	2020	Mechanisms to elect representatives of displaced people to CDCs are working and/or new CDCs are formed for groups of households that grow as a result of displacement
Output		CDCs established in displacement-affected communities	
Output indicator		Number of CDCs in displacement-prioritised communities, as reported by ARTF and calculated pro rata for Denmark's contribution	
Baseline	2017	0	
Target	2018		
Target	2019		<i>To be set in Q4 2018 during theory of change review</i>
Target	2020		<i>To be set in Q4 2018 or Q4 2019 during theory of change review</i>

The Results Framework for UN Habitat differs from the UN Habitat Programme Document's Logical Framework, because that their outcome indicators are largely focused on the process elements of the engagement such as site selection; beneficiary selection; and types of institutions engaged. For Danida's reporting purposes these key outcome and output indicators have been identified as most relevant to the ROI IV theory of change.

Engagement Title		UN Habitat's project Sustainable Human settlements in Urban areas to support Reintegration in Afghanistan	
Outcome		Beneficiaries are successfully reintegrated into the communities	
Outcome indicator		Level of integration of beneficiaries reported according to monitoring matrix	
Baseline	Year	2017	<i>To be set once beneficiaries initially settle in locations</i>
Target	Year	2020	<i>To be set in Q4 2018 during theory of change review</i>
Outcome		Fair beneficiary selection process has been adapted for national use	
Outcome indicator		Demonstrated beneficiary selection process is adopted officially and is available for use around the country	
Baseline	Year	2017	No formal process exists
Target	Year	2020	A transparent, fair selection process has been endorsed and is operational in at least two places outside of Nangarhar
Output		Selection of Beneficiaries	
Output indicator		Beneficiaries Selected, as reported by UN Habitat calculated pro rata for Denmark's contribution	
Baseline	2017	0	
Target	2018	20	
Target	2019	280	
Target	2020	280	
Output		Fairly selected displaced people have tenure security and permanent homes	
Output indicator		Number of beneficiaries with tenure security living in houses built by the project, as reported by UN Habitat	

Baseline	2017	0	
Target	2018	0	
Target	2019	290	
Target	2020	290	

Engagement Title		NGO Direct Assistance to Displaced People	
Outcome		Sustainable improvements to infrastructure or livelihoods opportunities in displacement-affected communities	
Outcome indicator		Number of case studies showing sustainable change, provided by NGOs and by independent case study collection commissioned by HMC	
Baseline	Year	2017	0
Target	Year	2020	20 case studies verified by HMC as demonstrating NGO contributions to sustainable change for displacement-affected communities
Output		People in displacement-affected communities receive developmental support	
Output indicator		Number of individuals served, as estimated from NGO reports	
Baseline	2017	0	The baseline will be set from ROI III calculations once the current programme period comes to a close by end 2017
Target	2018		
Target	2019		
Target	2020		

Annex D: Output-Based Engagement Budget¹²

	Budget in DKK million
Development engagement 1: ARTF/CCAP	
Engagement objective: Secure access to protection and durable solutions for Afghan refugees and IDPs as close to their homes as possible	
CDCs established in displacement affected communities	
Goods, Works, etc. rural (MRRD)	38
Rural area service standards grants	15
Social Inclusion Grants (MRRD)	37
Sub-total development engagement 1	90
Development engagement 2: UN Habitat/SHURA:	
Engagement objective: To re-integrate returnees through housing and livelihoods support and to demonstrate a fair beneficiary selection approach	
Beneficiary Selection system established and functioning	29
Permanent Housing constructed	14
Proportionate costs of programme staff, operations and maintenance, security and program support costs allocated to output budget	22
Sub-total Development engagement 2	65
Development engagement 3: NGO Grants	
Engagement objective: Long term and sustainable livelihoods solution are in place	
Sub-total Development engagement 3	140
TA, advisory support, reviews and programming	5
Total Programme	300

¹² To be finalised during imminent partner agreements.

Annex E: Risk Management Matrix

Contextual risks

Risk Factor	Likelihood	Impact	Risk response	Background to assessment
Corruption/diversion of funds and benefits will reduce the impact of the interventions	Likely	Major	Use of World Bank and UN Habitat monitoring of project financial systems. RDE Kabul to commission external audit of Danish funding as needed. RDE Kabul/HMC to cease disbursement and reclaim unspent funds. Proper vetting of NGO partners and strong oversight and reporting requirements.	Corruption is endemic. The government lacks adequate mechanisms to prevent corruption. Corruption mitigation is designed into engagement 2 through, transparent and participatory processes. UN Habitat's selection is partly to mitigate the risks in land allocation.
Increased insecurity prevents access to program sites	Likely	Major	The program strategy spreads risk by operating in a number of locations, through different actors. RDE Kabul/HMC and partners to re-assess feasibility and review work-plans regularly. RDE Kabul/HMC to consider cessation of funding or re-allocation if conflict prevents significant programme activities. 2018 Theory of Change review to recommend changes if necessary.	This risk is linked to the wider political-military context. But while additional insecurity could inhibit certain activities in certain locations, it is unlikely that this would prevent the program from functioning and, absent a catastrophic upsurge in fighting, would not have a major impact on the program.
Political instability and a stagnant government lead to a lack of political direction for key ministries, resulting in delays in implementation	Likely	Major	RDE Kabul/HMC to monitor timelines, review causes of delay and consider revisions to program after 2018 Theory of Change review.	Government instability, such as the delay of the 2015 parliamentary elections, has previously delayed program implementation. Engagement 1 relies on the ability of the GIRoA to deliver progress on establishing CCAP and Citizens' Councils; Engagement 2 relies on GIRoA to approve and

				adopt a fair piloted methodology for land allocation.
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Programmatic risks

Engagement: Citizens' Charter Afghanistan Project (CCAP)

Risk Factor	Likelihood	Impact	Risk response	Background to assessment
Specific focus on IDPs and returnees may be lost due to the broad thematic and geographic range covered by CC	Likely	Major	The ROI will earmark/preference funds to CC for displacement-related purposes.	The CC is a broad political and social charter. The CCAP directly supports some governance aspects and services of the CC.
Heavy reliance on government ministries to deliver outputs will lessen effectiveness of implementation	Likely	Major	The ROI has limited ability to mitigate this risk. Consider withholding and redirecting funding if government ministries cannot deliver.	Government ministries have limited experience delivering in urban areas, and budget utilisation is notoriously poor.
Government instability may result in delays in implementation	Almost certain	Major	RDE Kabul should monitor government instability and advise the partner. Remain flexible and reallocate funding if necessary. 2018 Theory of Change review to suggest re-programming if necessary.	Government instability, such as the delay of the 2015 parliamentary elections, has previously delayed program implementation.
Competing political interests creates uncertainty over the project's longevity and may impede implementation	Likely	Major	The ROI has limited ability to mitigate this risk. With-hold and redirect funding if CCAP is unable to implement at agreed schedules.	The GIRoA considers CCAP to be a political programme.
Unclear division of urban and rural areas results in unclear division of labour between MRRD and IDLG	Likely	Minor	Ensure clear monitoring methods from the partner.	MRRD will continue to deliver services in rural areas, but 40% of CDCs under MRRD's mandates are peri-urban. IDLG and the Kabul Municipality will coordinate in urban areas.
Financial mismanagement or fraud, particularly in urban areas	Unlikely	Minor	Initiate an investigation. Withhold and reallocate funding if necessary.	The CCAP will provide block grants to CDCs for infrastructure of public works.
Community institutions	Likely	Major	Danish dialogue should	Previous experience of

like CDCs may not include displaced people			focus on inclusion of displaced people. RDE Kabul should investigate methods that reduce exclusion and direct ROI support accordingly. RDE Kabul should monitor through CC working groups.	the NSP shows that managing partners have limited ability to make community institutions inclusive of displaced people.
CDCs prove unable to operate improved infrastructures and maintain improvement in service-levels over time undermining ability to achieve program objectives	Likely	Major	Programme support and capacity building. Ensure clear results reports that demonstrate this.	Theory of Change review to consider results to date and likely trajectory of capacity and sustainability elements.

Engagement: UN Habitat's project Sustainable Human settlements in Urban areas to support Reintegration in Afghanistan

Risk Factor	Likelihood	Impact	Risk response	Background to assessment
Loss of public and political support for SHURA leading to stalling of key project milestones	Likely	Major	Release of 2018 Funds will be contingent on Denmark being satisfied that significant progress is made by provision of necessary and appropriate land for allocation to beneficiaries by GIRoA.	The history of land allocation projects is likely to create cynicism and any negative stories can easily turn public opinion. Changes to political support also likely.
Beneficiary selection for land and housing may be delayed because of the complexity in the selection process	Likely	Major	Monitor the land allocation process. 2018 Theory of Change review to recommend changes if timeline slips radically.	Habitat will lead the selection process for allocation. The government will run public lotteries for those who meet the criteria. The objective of the process is that allocation is transparent and equitable.
Sensitivities around land ownership and allocation prevent the adoption of the allocation method to other areas of Afghanistan	Likely	Major	HMC to withdraw funding for a roll-out if a fair effective process is not in place. HMC and RDE Kabul dialogue to make clear the disinterest in funding a scheme affected by political interference.	Land ownership is heavily contested and the state has little experience of managing land conflicts. Previous efforts in this sector have been fraught with corruption and conflict risk.
Potential beneficiaries who are not selected view the process as unfair	Likely	Minor	HMC to withdraw funding if Habitat's selection process is altered to allow more	The negative history of land allocation schemes – both in fact and in the public mind –

			government interference. HMC to encourage Habitat to focus on clear communications with government and the broad group of potential beneficiaries.	raises the risk that people left out will presume that corruption or some other influence has reduced their opportunity to benefit.
Beneficiaries not capacitated to participate in the construction of their own houses	Unlikely	Major	Selection process makes clear preconditions of allocation of land and can lead to removal if not complied with. Vulnerable beneficiaries unable to manage this will be supported by other members of their Housing Unit.	Housing construction undertaken with the support of shelter engineers and social organizers, is typically in the form of unskilled labour. Having a home is likely to be a strong motivation to participation
Reputational risk to Denmark if project perceived as unfair/corrupt	Unlikely	Major	Fast reporting and response to reports of corruption in program.	UN Habitat and RDE reporting on progress and monitoring media on the program.
Beneficiaries unable to maintain costs associated with home ownership and access to services	Unlikely	Major	Engagement 3 will support sustainable livelihoods for these beneficiaries. Furthermore the sites for housing will be close to livelihood opportunities.	The programme has been designed to ensure that ownership is sustained by including livelihoods and other development components in the Programme Strategy.

Engagement: NGO Direct Assistance to Displaced People

Risk Factor	Likelihood	Impact	Risk response	Background to assessment
Limited management resources available for monitoring NGOs operating flexibly in distant areas	Likely	Major	Partner selection is key; choose trusted partners with a strong track record. Use annual reporting and dialogues with partners to push monitoring questions.	This engagement will support a number of NGOs working in a variety of ways to ameliorate the needs of under-served communities.
Security risks to partner staff operating in hard-to-reach, conflict-prone areas	Likely	Major	Encourage partner NGOs to continuously assess risks and remain flexible. Accept cessation of activities in dangerous areas.	Many displacement-affected communities reside in hard-to-reach conflict-prone areas.
Shifts in conflict lines cause NGOs to lose access to beneficiaries	Likely	Major	Flexibility to reallocate funds to more secure areas.	This engagement was designed to support NGOs addressing the needs of

				communities in remote, conflict-sensitive areas that may be affected by future conflict.
The need to negotiate access to project areas delays implementation	Likely	Minor	Ensure realistic timelines for activities in these areas, allowing sufficient time to respond to the security issues. There is not much the ROI can do to mitigate this risk.	This engagement was designed to support NGOs addressing the needs of communities in remote, conflict-sensitive areas.

Institutional risks

Risk Factor	Likelihood	Impact	Risk response	Background to assessment
Low capacity of government partners may delay implementation and lessen the impact of interventions.	Likely	Major	Engagement 2 and 3 use non-governmental sources. The CCAP working group allows for strategic oversight by Denmark of capacity. The 2018 Theory of Change review can revise timelines and outcomes in light of progress.	Government partners are necessary to deliver engagement 1 but the other 2 engagements are largely not reliant on government.
Corrupt use of funds may harm Denmark's reputation and undermine support for engagement	Unlikely	Minor	Suspension of funding during investigation; Clear communication to Danish constituencies on the need to take the risk in order to have effective engagement. Possibly introduction of further controls; possibly reallocation of funds.	Impact may be more or less serious depending on duration of suspension and need for extra control measures.

Annex F: List of supplementary materials

1. Draft Development Engagement Document with the World Bank (ARTF)
2. Draft Development Engagement Document with UN Habitat
3. Draft programme document from UN Habitat – Sustainable Human settlements in Urban areas to support Reintegration in Afghanistan (SHURA)
4. Draft beneficiary selection addendum from UN Habitat – Returnee Response Beneficiary Selection
5. Overview of ARTF
6. Overview of CCAP budget
7. ARTF Revised Proposal May 2017
8. Process Action Plan – Partner Agreements and call for proposals from Danish NGOs
9. NGO process: Partner mail
10. NGO process: Template for concept note

Annex G: Plan for communication of results

Communication of results achieved by the Danish support will be an integrated part of the programme framework once implemented. For the development engagements, a communication plan will be outlined, based on each relevant target group:

- 1) Stakeholders in Denmark (decision makers and general public),
- 2) Afghan decision makers in/outside involved organisations/institutions, and
- 3) “thought leaders” in Afghanistan, Pakistan, Iran and Denmark (think tanks, civil society, academia, experts).

These communication plans will be formulated in close dialogue with the partners during initial implementation in January 2018. The plans will be consolidated and/or revised during Q4 2018 following the scheduled theory of change review.

It is foreseen that a variety of media will be used to disseminate results. For results on outputs (e.g. a newly developed Community Development Council with participation of IDPs) internet and Facebook will be used to post short “success stories”. For larger results, for example on objective or outcome level, communication channels could be longer newspaper articles (op-eds) in Afghan or Danish newspapers, lectures targeting think tanks or academia, or an entire seminar dedicated to discussing results with a variety of stakeholders.

ANNEX 1: SUMMARY OF RECOMMENDATIONS

Title of (Country) Programme	Regions of Origin Initiative, Phase IV
File number/F2 reference	2017-24079
Appraisal report date	29-September-2017
Council for Development Policy meeting date	31-October-2017
<p>Summary of possible recommendations not followed</p> <p>Because of deficiencies in the underlying documentation, the desk appraisal recommended to reconsider the proposed allocation to UN Habitat and instead provide all funding to the other proposed partner, the Citizens' Charter Afghanistan Project (CCAP). HMC was of the opinion that such a change could undermine the ability of the programme to address one of the biggest challenges related to displacement in Afghanistan, namely that of returning refugees and internally displaced seeking a future in the large cities. The resulting urbanisation, involving millions of people, has led to very significant development challenges in the form of a massive growth in urban poverty and in unsustainable pressure on urban housing and services. As CCAP is yet far from having the required systems and capacities in place to address these challenges, as there are no other partners available for an urban response, and as UN Habitat is assessed by other international organisations and donors along with the Afghan government to be competent and innovative, it was decided instead to focus on ensuring that the programme documentation would meet all reasonable requirements in terms of level of details and overall quality. This would also ensure adherence to a key recommendation from the recent mid-term review and the earlier evaluation of the Regions of Origin Initiative in Afghanistan.</p> <p>Throughout the ensuing process, regular consultations have been held with the desk appraisal to assess progress. Several modifications have been introduced, including a number of technical improvements along with an agreed upon risk mitigation measure, which ensures that Danish funding will be put to the best possible alternative use if UN Habitat fails to deliver on a key milestone by the end of Q3 in 2018. In this case, funds may be shifted to the Citizens' Charter Afghanistan Project.</p> <p>In parallel with this process, it was confirmed that the European Union would grant 16.7 million Euro to the UN Habitat project.</p> <p>With these outcomes and developments, it is HMC's belief that the strategic programme framework as now presented constitutes a relevant response to the displacement challenges faced by Afghanistan and that it meets the core quality standards of Danida.</p>	

Overall conclusion of the appraisal

More than 35 years of protracted conflict has affected the fabric of Afghan society and depleted Afghanistan's ability to cope with the growing influx of returnees from Iran and Pakistan. IOM's estimate that more than 600 thousand undocumented Afghans could return in 2017 underlines the need for scaling up the support to returnees in coordination with the Government and partners working in the nexus between humanitarian aid and development assistance.

The gravity of the situation justifies a new phase of the Regions of Origin Initiative (ROI) with increased focus on facilitating the successful reintegration of returnees and displaced persons. A ROI IV is not only timely and relevant to the current situation; but also a programme well-aligned with Denmark's strategy for development cooperation and humanitarian action.

However, in order to be effective and able to produce, document and communicate results; a new phase of ROI needs to build on the experiences and lessons learned from the earlier phases. This includes responding proactively to the recommendations of earlier reviews concerning weak design and insufficient programme-level monitoring. The Desk Appraisal finds that the lessons learned from the earlier phases have not yet been fully embraced and integrated into the current programme design and documentation.

The conclusion is that the programme documentation is incomplete and reflects a programme still in the formulation phase. This conclusion is supported by the absence of budget details and the incomplete results framework. Several other aspects of the programme design needs strengthening during the finalisation process. The Desk Appraisal has tried to highlight these aspects along with practical suggestions for improvements.

The recommendations made by the Desk Appraisal focus narrowly on guiding the finalisation of the overall programme design in a direction that pays due attention to the desire to pursue a LEAN set-up, the lessons learned, including those documented by the most recent Mid-Term Review, as well as the state of the current programme documentation. Concerns relating to the more specific aspects of the programme and the identified engagements have been categorised as suggestions throughout the report and are not covered in this table of recommendations.

Recommendations by the appraisal team	Follow up by the responsible unit
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Programme Level:

At the overall programme-level, it is difficult to see what makes this a programme. Although the three identified engagements are relevant in each their own right, they appear as independent projects with no apparent synergies between them. A results framework that says very little about how returnees and displaced persons will benefit from the programme illustrates the programme design problem.

Out of the three engagements presented in the programme document, only one engagement has completed a full formulation phase. This is the Citizen's Charter Afghanistan Project (CCAP) that was appraised positively in October 2016 by the International Development Association and that is expected a part of Denmark's next Country Programme for Afghanistan.

The second engagement with UN-Habitat is still in the formulation stage with an incomplete documentation package, including lack of budget details and a results framework as well as uncertainties regarding financing and Denmark's participation in steering arrangements. The Desk Appraisal is aware that HMC is working hard to address these concerns and that some progress has been made. However, based on the state of the documentation received, the conclusion must be that the programme documentation is incomplete.

The third engagement, concerned with flexible NGO assistance, has no Development Engagement Document and has not been part of this appraisal, apart from in the context of its match with and intended contribution to the overall programme.

Follow up by the responsible unit:

The Mid-Term Review recommendations from ROI III states that *"the RT does not suggest that it should be a priority to aim for "orchestrated" directly operational synergies between the three engagements. It is more important that they individually fit into the overall national and international work with displacement"*. In line with this recommendation, HMC has not attempted to develop a programme in the usual sense; instead, it has focused on compiling a strategic programme framework that identifies three engagements that collectively addresses the most pressing needs related to the development challenges of displacement in Afghanistan in an efficient, targeted and flexible manner. As a whole, the strategic programme framework is fully aligned with the national development priorities of the Afghan government.

The documentation package from UN-Habitat has been improved in all required aspects – including budget details, results framework, governance arrangements and financial support.

The third engagement, concerned with flexible NGO assistance, has no Development Engagement Document as it will be subject to a call for proposals among existing NGO-partners with a proven capacity, presence and expertise in Afghanistan. While the two other engagements will be funded from a development budget line, the NGO component will mainly be funded from the humanitarian budget, but it was nevertheless decided to include it in the strategic programme framework to ensure full transparency and to demonstrate that a comprehensive response to displacement challenges in Afghanistan requires bridging the humanitarian-development nexus within the framework of an overriding development objective and a joint context analysis.

<p>1 - In view of the above and the short time available before submission of the programme documentation to the Council for Development Policy, the Desk Appraisal's 1st recommendation is to return to the original concept presented to the Programme Committee.</p> <p>Although work still will be needed in order to finalise the programme document, the rationale and underlying documentation for this engagement is so strong that it should be possible to do this within the given timeline. In the opinion of the Desk Appraisal, disregarding this recommendation would mean that there will be insufficient time to finalise the programme document before submission to the Council for Development Policy.</p>	<p>The original concept note outlined a concept to address issues of displacement in rural as well as urban areas. The latter, however, will not be addressed by the Citizens' Charter Afghanistan Project (CCAP) at this stage, a fact that became evident during the formulation mission in early July. As outlined in the programme document and context analysis, the urban component of displacement is of increasing importance in the Afghan context. Failing to meet this challenge in the new strategic programme framework would replicate failures of previous phases as outlined in the MTR of ROI III and previous evaluation of ROI from 2012. UN Habitat is assessed as the best choice, e.g. by working closely with the Afghan government and having an oversight role for the upcoming urban component of CCAP. Please see above for details on how the UN-Habitat proposal has been improved since the appraisal.</p>
<p>2 - If the above is not acceptable, the 2nd recommendation is to change the balance of the programme so that it gravitates towards the CCAP.</p> <p>This would mean a significant change in the proposed budget allocations so that the CCAP again becomes the backbone of the programme. This would resonate well with the intention of the CCAP as the precursor for the next country programme as well as the recommendation of the MTR. This recommendation could be implemented by removing one of the two other engagements or by reducing their budget allocations. In either case some additional work will be required to address the issues highlighted in this report and complete the programme documentation.</p>	<p>The presented programme framework gravitates towards the CCAP by allocating DKK 90 million to the project over the three year period. This is significantly more than the proposed allocation of DKK 65 million to the UN-Habitat programme. The annex on budget details argues why this is assessed as an expedient division of the budget.</p> <p>Furthermore, if the UN-Habitat project does not perform according to a key milestone as outlined in the programme package, funds will be redirected from UN-Habitat to the CCAP.</p>

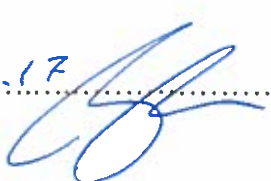
<p>3 - Linked to the above, the 3rd recommendation is to significantly reduce the budget allocation to the SHURA engagement ensuring that Denmark will not be the main project sponsor.</p> <p>Although this engagement is presented as promising, the Desk Appraisal finds it incomplete and associated with significant uncertainties and risks. The Desk Appraisal is not against taking risks; but finds they should be taken on a more informed basis and with adequate risk mitigation measures identified; and not in a new partnership in an engagement where Denmark is the major sponsor while simultaneously facing significant human resource constraints.</p>	<p>In line with the above HMC has taken a range of measures to reduce the risks of engaging in the UN-Habitat project. This has happened through a marked improvement of core programme documentation and by making future disbursements performance-dependent – as outlined in the programme document and DED.</p> <p>In addition, as outlined in the revised programme documentation, Denmark will not be the major sponsor as the EU has committed 16.7 million Euro to the project. Denmark will thus contribute with approximately one third of the total budget – 8.7 million Euro.</p> <p>We fully agree with the Desk Appraisal that the risks should be taken on an informed basis with risk mitigation measures identified. With the above in place, it is now the case.</p>
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I hereby confirm that the above-mentioned issues have been addressed properly as part of the appraisal and that the appraisal team has provided the recommendations stated above.

Signed in..... on the
Appraisal Team leader/TQS representative

I hereby confirm that the responsible unit has undertaken the follow-up activities stated above. In cases where recommendations have not been accepted, reasons for this are given either in the table or in the notes enclosed.

Signed in GpL. on the 12.10.17
Head of Unit/Mission


MARIE-LOUISE WEGTER