

## **Inter-Ministerial Coordination in Citizens' Charter: A lesson in tackling fragmentation in Afghanistan<sup>1</sup>**

### **Building Citizen Accountability**

A foundation of post-conflict state-building is whether the state can deliver services to poor people on a large scale. Successful delivery of services provides tangible incentives for people to prefer stability to conflict. However, poor quality or corrupt service delivery can just as easily make people frustrated and disappointed, adding to instability rather than rebuilding the social contract.

In recent years a key tool for helping recovering states reach large numbers of poor communities has been what the World Bank has labelled “community-driven development (CDD)”. In CDD programmes, national states transfer block grants directly to poor communities, bypassing corrupt or inefficient intermediaries, which the communities can then use to build basic infrastructure such as roads, irrigation, or clean water supplies. While the track record of large-scale CDD programmes is not perfect, in countries such as post-Suharto Indonesia, Myanmar, Afghanistan, Cambodia and elsewhere, large-scale CDD programmes have shown that national governments can successfully manage such programmes, even in newly stable and still insecure areas. Furthermore, various independent quantitative measurements show that such programmes are very popular with their beneficiaries, which is in and of itself an important benefit when state legitimacy and credibility are under question.

However, while CDD programmes are able to provide development resources to poor communities without excessive levels of corruption, experience is showing that they face other constraints that limit their utility for post-conflict state-building strategies. First, because CDD programmes work through direct transfers to village councils, line ministries will resist cooperating with them, fearing a loss of autonomy and technical oversight. Second, they are largely limited to very small, discrete investments, without much linkage into network or system-types of development programming. Third, CDD's very simplicity can contain within it seeds of discontent over unequal treatment as needs gaps can vary widely across villages, which, under a CDD programme, are nevertheless given a standardized grant transfer.

Afghanistan's Citizens' Charter programme was designed to overcome these constraints and offers useful lessons about the evolution, planning process, and design of a national programme for building trust between the government and its citizenry. The focus of this brief is not on the final outcome, but on how post-conflict governments such as Afghanistan's can overcome the constraints on inter-ministerial cooperation and resist the tendency towards fragmentation that have often bedevilled post-conflict reconstruction. Lessons can be extracted from the process of planning the Citizens' Charter that can be used in other countries facing similar challenges of convincing poor citizens that even fragile states can credibly provide them with desired services using national systems.

### **The Citizens' Charter Process**

Following the fall of the Taliban in late 2001, the new government headed by Hamid Karzai faced a formidable reconstruction task. Thirty years of continuous conflict had left the country devastated, and, while the international community had made large financial pledges

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to support the rebuilding effort, the country lacked critical organizational capacities and field presence.

The National Solidarity Programme (NSP) was launched in 2002, the first of four early national programmes supported by the then Minister of Finance, Dr. Ashraf Ghani.

The programme was implemented by Afghanistan's Ministry of Rural Rehabilitation and Development (MRRD), which provided policy guidance and managerial oversight but contracted out field activities to local and international NGOs. As with other CDD operations, NSP's primary purpose was to provide block grants to communities that they would invest in small-scale community development projects. The grants were managed by Community Development Councils (CDCs), which were established by NSP across all provinces of Afghanistan through direct election. 40% of CDC members are women. Under NSP, 82,000 small-scale reconstruction and development projects were completed, providing over 20 million people with access to clean drinking water, roads, irrigation infrastructure, energy, clinics, and schools.

Despite the major successes of the NSP, the model faced a number of constraints. First, NSP did not build linkages to the wider service delivery modalities in the country, including health, education, and agriculture. This has resulted in fragmentation and the creation of parallel structures for development and service delivery. This fragmentation also resulted in resentment from some line ministries against MRRD for undertaking activities outside of its mandate. Second, the programme was only undertaken in rural areas, with only a few pilot programmes managed by NGOs or UN agencies implemented in cities. Third, the community grants only disbursed for a maximum of two rounds, and most communities only received one grant over the 14 years of the project. Lack of a predictable mechanism for disbursement likely affected the programmes impact in improving citizens' trust of Government, and it was instead seen as another foreign-driven development project, albeit a successful one.

The CDCs proved to be both useful and problematic as village-level institutions. On the positive side, the community elections went smoothly, and communities reported high levels of confidence that they could be trusted to managed the money on the villager's behalf. CDCs were also effective agents of social change. They proved to be a powerful instrument for bringing women into the public arena, with women CDC members making up nearly 40% of the total membership in a society where women's formal role in public forums had traditionally been close to zero.

On the negative side, the lack of a juridical status for CDCs created challenges for government officials from other ministries who were unsure if they legally cooperate with the Council, resulting in a convenient excuse for less benevolent or flexible line ministries to continue to bypass local preferences and knowledge. They also became the basis for conflict between the MRRD, which "owned" them, and the Independent Directorate of Local Governance, which claimed that only bodies under its mandate could have a legal juridical status to represent government. The National Election Commission similarly refused to recognize their juridical existence because they did not conduct a certified election to establish their membership.

Nevertheless, the success of the programme at achieving relatively problem-free national coverage meant that the Government of Afghanistan had the option of continuing the NSP, a route which was also widely supported domestically and among international partners. However, despite more than a decade of unprecedented levels of development aid to Afghanistan, many people are living in dire poverty with limited access to basic services. Doing more of the same was the safe route to follow, but it was clear that by itself it could not amount to a sufficiently effective strategy for reducing the dire rates of poverty across the country. Thus, while recognising the CDCs as an important and valuable tool, in its 2014 reform agenda, the Government announced a new programme, the Citizens' Charter, to build on the successes of the NSP and overcome the aforementioned constraints.

The vision of the Citizens' Charter is to provide a set of core services to communities, using CDCs as the linchpin for local service delivery. The Charter is a commitment to provide every village in Afghanistan with a core level of basic development services, based on each community's own prioritisation. Built around the use of unified village-level budgeting and financial reporting, under the Charter communities can oversee their own development goals by creating community development plans; monitor the quality of service delivery through scorecards for clinics and schools, and report grievances to authorities and civil society. Further, the programme is putting a special focus on ensuring inclusive development and accountability at all levels, giving a voice to vulnerable groups such as women, returnees, and the poor.

### Box 1: Minimum Service Standards under the Citizens' Charter

| Rural Areas  | Urban Areas   |
|--|---|
| <p><b>Access to Clean Drinking Water</b></p> <p><b>Access to Rural Infrastructure.</b> Choice of:</p> <ul style="list-style-type: none"> <li>▪ Road access</li> <li>▪ Electricity</li> <li>▪ Small-scale irrigation</li> </ul> | <p><b>Access to Urban Infrastructure.</b> Choice of:</p> <ul style="list-style-type: none"> <li>▪ Potable water</li> <li>▪ Street upgrading and drainage</li> <li>▪ Lighting, electricity</li> <li>▪ Park, recreation area</li> <li>▪ Solid waste management</li> <li>▪ Household numbering</li> <li>▪ Livelihood projects for women</li> </ul> |

#### Ministry of Public Health Standards

- Health facilities complying with required open hours, staffing, and mandated health services
- In urban areas, pharmacies will be registered and meet basic MoPH requirements

#### Ministry of Education Standards

- Teachers with a least grade 12 education
- Students will have 24 – 36 hours per week of education

**Institutional Cooperation:** One of the key questions involved in designing the Citizens' Charter was whether it would be possible to convince other ministries to use CDCs as an umbrella governance mechanism for planning, oversight, financial management, and downward accountability. In order to do this, the five ministries who would be delivering

these services would need to collaborate; something they had resisted in the past. The Ministries involved are the Ministry of Education, Ministry of Public Health, Ministry of Agriculture, Irrigation and Livestock, Ministry of Rural Rehabilitation and Development, and the Independent Directorate for Local Governance (responsible for working with urban CDCs).

Initially, the prospects for encouraging the government ministries to cooperate seemed to be poor. Afghanistan’s ministries and government as whole are highly fragmented. Even within a ministry, two units implementing two projects with similar objectives often never meet, let alone work to consolidate efforts. This fragmentation is a remnant of the aid modalities applied by many donors, which formed parallel structures with the aim of delivering projects, rather than focusing on building systems. Thus, Afghanistan’s ministries are riddled with special purpose project management units that have their own specialized teams and salary rates; each ministry had its own construction wing and measured its performance using a unique set of indicators that do not follow a national monitoring system.

The second challenge was to ensure that the relevant Ministries were willing to work with CDCs rather than forming their own technical user group to run their project, as had been the case in the past. For this new approach to succeed, ministries would need to view the programme as a ‘whole of government’ initiative rather than another phase of NSP with just one ministry in the driving seat.

**Table 2: Differences between NSP and Citizens’ Charter**

|                                 | <b>NSP</b>  | <b>Citizens’ Charter</b>   |
|---------------------------------|---|--|
| <b>Block grant per CDC</b>      | Approx. \$33,000  | Based on Gaps (avg. \$30,000)  |
| <b># of Ministries involved</b> | One   | Six  |
| <b>Role of CDC</b>              | Managing the community development plan and block grant | Coordination of service delivery and focus of accountability and inclusive development |
| <b>Service standards</b>        | N.A.  | Based on national standards  |

Work on designing the programme did not reach full force until January 2016. In the beginning, most people did not think it was possible to develop a multi-ministerial programme of this scale, including many civil society actors, government, and international partners. However, a multi-ministerial working group was able to develop and hold programme appraisal in just six months, an unprecedented feat for any World Bank financed programme in Afghanistan to date.

The official programme launch took place in September 2016, with \$500 million of funding approved by the World Bank, and a further \$128 million committed from the government for the first phase. Field activities started in early 2017.

Given the challenges of overcoming such deeply embedded institutional fragmentation, how was it possible to have six ministries collaborating together to deliver the largest

development initiative in the country in such a short time? A number of elements were key in the successful design of the programme:

- 1- Money was taken off the table at an early stage. Ministries were assured that each would be responsible for their own budgets and accountable for their own delivery. Funds would not be moved from one Ministry to another during the design stage. Instead, funds for each Ministry under the charter would be based on performance against targets – including budget expenditure rates. Early clarity on the financial architecture of the new programme removed a major source of inter-ministerial contention.
- 2- Support from high leadership was crucial for the successful design of the programme and to ensure collaboration within a fragmented state. The concept for the Citizens' Charter came originally from the President, who put delivery of the Charter into his administration's strategic reform plan that was presented to the international community in 2014, shortly after his administration took office, thereby providing a top-level policy commitment to making it happen. The concept was further discussed in Cabinet, which received periodic updates on its progress from the Minister of Finance. This high-level support and message helped prevent the kinds of deviations in the discussion about institutional mandate and purview that can often drag down inter-ministerial cooperation. Instead, representatives from all six ministries were focused on the overall goal of bringing the president's commitment to fruition.
- 3- The design process for the Citizens' Charter was coordinated by the Ministry of Finance. Using the Finance Ministry rather than electing one of the participating line ministries brought three advantages. First, since the Ministry of Finance does not execute projects, there was no risk of the ministry using its coordinating role to seize (or be perceived to be seizing) resources for itself. Second, since the Ministry of Finance is usually the strongest of the development ministries in a post-conflict government, Finance could become the arbiter of disputes. Finally, the Ministry of Finance established a small facilitation team in its Policy Department to ensure effective coordination among ministries, encourage innovation, and provide a linkage to the Office of the President for political support.
- 4- Appointing the Finance Ministry to coordinate the design also helped by letting the Citizens' Charter team work closely with relevant departments within the ministry to clarify costings and fund flows and to align the programme with the government's new financial management system, where it became the test case for using performance budgeting. Unlike with normal donor funding that ties donor and government funds to a single, unmovable project, under the Citizens' Charter the government is free to move funds from under-performing ministries to better performing members of the Charter. This gives the government the financial tools it needs to provide performance-based incentives and a degree of competition to ministries.
- 5- If the initial impetus for the programme came from top-down commitment, the design of the programme followed a highly participatory process. Representatives from all six Ministries met for hundreds of hours to discuss everything from major programme

objectives to minor implementation details. Further, the process was opened to civil society partners, particularly those with past experience in community development. The multi-ministerial working group also went to the field on numerous occasions and engaged with CDC representatives on the planned programme. By the end of the design process, the government representatives formed a group which could be counted on to explain to their home ministries how the Citizens' Charter would operate and benefit their superiors.

- 6- Key to the design process was that it applied the same NSP principles of facilitated participation to the design of the national programme itself. Two facilitators based in the Ministry of Finance were assigned to manage the inter-ministerial design process and ensure that benchmarks and deadlines for the design would be met. Discussions were held largely at the technical level to solve any problems on design, and once the technical-level group came to an agreement, the proposal would be taken to the senior level for approval. This allowed more time for open discussion and clarification, with key technical staff who were assigned specifically to work on this programme.
- 7- The Citizens' Charter is truly a government programme. Other than the MoF facilitators, the programme was designed by specialized ministry staff, not just handed over to a consultancy firm. The World Bank provided technical support, and eventually appraised the programme. However, the process was led by government the entire way. This meant that the design process was about looking at the gaps that the ministries themselves had in their programmes, assessing their capacity to deliver, and budgeting based on gaps and implementation capacity. The government team benefitted from NSP and other sectoral programme's accumulated experience, and while actual implementation of the programme will require specialized firms and consultants, but the participatory design process ensures high levels of government ownership and understanding.

### **Progress to date:**

Citizens' Charter hit the ground in May 2017. Currently, the program has reached all 34 provinces, with the aim of reaching one-third of districts in its first phase (2017 to 2021). National coverage will be achieved over the next ten years. As of July 2018, Citizens' Charter has reached more than six million people in 8,124 communities. Nearly 8,000 CDCs have been elected with 49% female members (compared to 37% under NSP), 2,212 sub-projects have been financed, and \$52 million has been disbursed to communities in grants, with another \$100 million in the pipeline.

The ongoing inter-ministerial coordination is helping to ensure full coordination between the sectors. Afghanistan's national health program, *Sehatmandi*, has integrated community scorecards on the minimums standard of health services, as an intermediate outcome indicator, with the performance of implementing agencies graded through this community feedback mechanism. In the education sector, school construction has been transitioned to CDCs, who now manage construction and are responsible with basic maintenance. In agriculture, national projects are adapting beneficiary selection mechanisms and regional targeting in alignment with Citizens' Charter's participatory poverty analysis processes, helping better target the vulnerable and prevent elite capture.

**Conclusion:**

It is important to note that it would have likely been impossible to launch a program such as the Citizens' Charter in 2002. In this sense, the NSP was a necessary precondition to demonstrate that (i) CDCs could function as effective governing bodies; (ii) direct funding did not increase corruption – in fact it helped reduce it; (iii) that national leaders got new constituencies; and (iv) that community driven development could be implemented at a national scale and be managed by the country's institutions with increasingly limited amounts of international technical assistance.

Without necessary time to confirm these four foundations of community driven development in Afghanistan, a prematurely designed Citizens' Charter would have failed. Moreover, because it was sequenced, the programme had been able to build up a large constituency, with CDCs described as one of the most trusted institutions in the country according the Asia Foundation's Perception Survey of Afghanistan. NSP was also well-known within the political circles, with a cadre of ministers, deputy ministers and director generals who had often began their careers within the NSP umbrella and could affirm the idea within government.

Afghanistan had the option of continuing the successful NSP community development programme. However, by making the investment that was needed to tackle the constraints on a more programmatic approach to poverty reduction, the country now has the potential to use the NSP foundation to advance a national programme for reducing poverty and building up the credibility of the democratic state.